University of Alberta

Nigeria's Oil Politics: Institutional Responses to the Niger Delta Question

by

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Abstract

The oil-rich Niger Delta accounts for over 90 percent of Nigeria's oil resources which sustains the Nigerian political economy. However, the Delta is a manifestation of the oil paradox; a paradox of boom and wealth alongside doom, poverty and conflict resulting from the inequitable distribution of resource benefits and costs. This paradox of Nigeria's oil politics is examined by focusing on the institutional responses of the Nigerian state to the Niger Delta's demands for political and economic powers required to participate in oil and gas development. I argue that the participation of the Niger Delta people in oil and gas policy-making that affects them is low as a result of the inability of the Nigerian state to construct an effective framework to accommodate their interests given its historical specificities such as its colonial, dependent, rentier and limited autonomous nature. These factors predispose it to act in favour of foreign capital.

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Dedication

To My angels – The Wednies:

Grace, Mercy, Shalom and Hephzibah Otuene

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List of Symbols

₦	Naira
km^2	Square Kilometres

List of Abbreviations

AFP	Agence France-Presse
CBN	Central Bank of Nigeria
CDD	Centre for Democracy and Development
CIA	Central Intelligence Agency
CLO	Civil Liberties Organization
DPA	Distributable Pool Account
ERA/ FoEN	Environmental Rights Action/ Friends of the Earth Nigeria
FMHE	Federal Ministry of Housing and Environment
FOS	Federal Office of Statistics
GDP	Gross Domestic Product
GNP	Gross National Product
IYC	Ijaw Youth Council
MNOCs	Multinational Oil Companies
MOSOP	Movement for the Survival of the Ogoni People
MOU	Memorandum of Understanding
NDDC	Niger Delta Development Commission
NNPC	Nigerian National Petroleum Corporation
OMPADEC	Oil Mineral Producing Areas Development Commission
OPEC	Organization of Petroleum Exporting Countries
PTF	Petroleum Task Force
RMAFC	Revenue Mobilisation Allocation and Fiscal Commission
UNDP	United Nations Development Programme
USD	United States Dollars

Introduction to the Subject

- **Background and Objective of Study**

My research explores the issue of inequality and the accommodation of minorities in national governance using the Niger Delta areas of Nigeria as a case study. The Niger Delta possesses huge oil and gas reserves and accounts for over 90 percent of Nigeria's oil and gas production, export earnings and revenues. However, an increasingly centralized Nigerian federation has left the Niger Delta people with little control over their affairs, resources and revenues. They are excluded from political participation and decision-making. Also the federal government exclusively owns and controls all resources and revenues. It collects and retains the bulk of the revenues generated from the Niger Delta while redistributing the remaining amongst all the states and local governments making up the Nigerian federation based on formulas that further disadvantage the minorities of the Niger Delta. Hence, the Niger Delta is a source of wealth for the country but not for the region. It bears the enormous brunt of oil and gas exploration and production without partaking in the benefits these activities bring. Consequently, the Niger Delta people resent the federal government for depriving them of their rights, resources and revenues. They feel marginalized and alienated from the Nigerian federation. This results in social discontent that is fuelling violent conflicts and unrest in the region. Today tensions are so high that the country is almost torn apart by the issue of minority economic and political deprivation in the Niger Delta area. It is so significant that now researchers should look at what should be done to address this problem. It is against this background that a study of this kind becomes imperative.

Therefore, the main thrust of this work is to explain the relatively insignificant role the ethnic minorities of the Niger Delta have played in the development of their oil and gas resources. My research question is: why have indigenous minority groups been relegated to the background in terms of decision-making on oil and gas development within their territories? The research analyzes resource politics and ethnic minority accommodation in the Niger Delta of Nigeria. It seeks to understand the demands, accommodation and involvement of the Niger Delta people in resource development. It posits that the participation of the Niger Delta people in oil and gas policy-making that affects them is low as a result of the inability of the Nigerian state to construct an effective framework to accommodate their interests given its historical specificities such as its colonial, dependent, rentier and limited autonomous nature, which predisposes it to act in favour of foreign capital.

- **Methodology**

In undertaking this task, I have chosen to conduct my research based on historical-comparative and secondary analysis. Historical-comparative analysis cuts across time, place, systems, and culture and examines the combination of factors that produce certain outcomes. It is best for examining political processes like those of Nigeria which has experienced different cultural or historical circumstances from colonialism through neo-colonialism to find factors that might have influenced policy-making at each point in time (Archer, Gibbins, and Youngman 1998, 136-137; Neuman 2000, 37, 383). Skocpol (1985, 14) emphasized the need for comparative and historical studies that take structural variations and changes within different states into consideration. Historical situation

plays an important role, especially today with the ever-increasing globalization. And as Landman (2003, chp.1) notes, such studies are useful for description, classification, hypothesis-testing and prediction.

Secondary analysis is the analysis or reanalysis of available data. Secondary analysis using existing statistics and documents helps researchers reassemble existing information in new ways with regard to their research question and variables. It is cost-effective and appropriate for topics involving information in official reports collected by government or other public agencies and private sources (Archer, Gibbins, and Youngman 1998, 112; Neuman 2000, 35-36, 301, 305). Numerous types of information collected and compiled by others are available to me to search through and reorganize in a bid to answer my research question. Thus I have relied on secondary sources in the collection of data needed for the successful completion of this research. Scores of text books and articles from legal, business and academic journals, magazines, newsletters and newspapers, seminar papers, government and non-governmental organizations publications, reports and documents have been scrutinized for relevant information. Also, electronic information sources, including online databases and World Wide Web sites have been examined for information. Descriptive statistics such as maps, tables and figures have also been used in the data analysis and interpretation. Given the limitations of resources such as time, money, personnel and equipment needed to carry out new research, secondary analysis was the best option available to me as a student.

Thus, using an historical-comparative and secondary analytical approach, I reorganize data and explore the contextual changes that have produced the Niger Delta's relatively minor role in oil and gas development, and I trace the origin and linkages of

how the Niger Delta's demands led to policy-making. As well, I examine the combination of factors that is affecting the government's responses to the demands of the Niger Delta people.

Chapter One provides a general overview of Nigeria and the significance of oil to the Nigerian economy. It also explores the nature of the Nigerian state and its role in the Nigerian political economy. Chapter Two portrays the Niger Delta and its significance to Nigeria and the world. It highlights the importance of the environment to the Niger Delta people and the negative impact of oil and gas production on life in the Delta. Chapter Three discusses the inequitable distribution of power, resources and revenue in the Nigerian federation. Chapter Four describes the resistance and unrest that has arisen in the Niger Delta over the years. It also identifies the major demands of the Niger Delta people since the 1990s using the Ogoni Bill of Rights and Kaiama Declaration as case studies. Chapter Five examines the institutional responses of the government to these demands. And chapter Six critically evaluates the state's institutional responses and analyzes why the government has responded the way it did using the instrumentalist perspective. Finally, it concludes and attempts to proffer acceptable solutions to the Niger Delta question.

- **Theoretical Framework**

The instrumentalist framework appears to be the most relevant tool for analyzing the various factors, actors and institutions which determine the participation of local people in oil and gas development. Thus, in my analysis I use the state as the object of my investigation to explain the events and outcomes in the Niger Delta. I critically examine

the nature of the Nigerian state and the changing structural, social, economic, political and cultural influences and constraints it faces in conflict mediation and policy-making. I examine how this affects the role of the minorities in the resource-rich Niger Delta area of Nigeria in oil and gas development.

This perspective on the state draws from neo-Marxism. It is based on the thesis that the state is an instrument of the dominant economic class – the capitalist 'ruling class.' Marx and Engels ([1848] 2000, 28-29) assert that "the bourgeoisie has at last, since the establishment of Modern Industry and of the world-market, conquered for itself, in the modern representative State, exclusive political sway. The executive of the modern State is but a committee for managing the common affairs of the whole bourgeoisie." Hence, instrumentalists such as Ralph Miliband focus on the capitalist ruling class that owns and controls economic power. They argue that the state represents and acts in the interest of the ruling class. The ruling class exercises political as well as economic power and influence. It uses the institutions of the state as its instrument to rule or dominate society (Chilcote 2000, 77). Miliband (1969, 9-13, 28-38) discusses the relation of state to society by examining the nature and role of the state in advanced capitalist countries. He argues that despite the separation between ownership and control of enterprises, economic power is still concentrated in the hands of a few. The managers, most of whom are recruited from the ruling class, accept the demands of the owners of the means of production and pursue the profit motive of capitalism. Furthermore, he contends that holders of state power concerned with the running of the state are agents of private economic power. The state is repressive and it shields the ruling class from other classes.

State intervention, regulation and control of the economy assist in maintaining the conditions for capitalist accumulation.

Thus, in my explanation of why the minorities of the Niger Delta have been relegated to the background in terms of decision-making on oil and gas development within their territories I look at the role of the state as an actor and institution that affects and mediates conflict that arises as a result of the multiple, conflicting interests of society. I argue that the Nigerian state serves the interest of capitalism and not the interest of the Niger Delta people. The Nigerian state plays not just a political role but also and primarily an economic one in view of its colonial legacy and dependence. The fact that the Nigerian state was created to serve the capitalist interest of the colonial power and incorporated into the international capitalist economy to play a particular dependent role constrains its autonomy and determines its structures, interventions, policies and activities. The state's policies do not reflect the demands of different interest groups given the fact that the multiple interests of society are conflicting and the state is an actor and arena of class struggle where the diverse interests contend or ally with one another to shape decision-making. For instance, the people of the Niger Delta want a greater role in oil and gas policy-making and want the state to respond as a welfare state that cares about their environment and survival, while Multinational Oil Companies (MNOCs) in pursuing their accumulation needs would like to keep an exploitative environment and protect their capitalist interest. In this case how objective and rational has the Nigerian state been, and which group has the state coerced in the process of producing unity and preventing conflict? It is clear that instead of eliminating capitalism the state regulates it. The Nigerian state primarily serves the interest of capitalism given its very limited

autonomy vis-à-vis foreign capital. It is the instrument of the dominant capitalist ruling class and acts in favour of foreign capital especially since it is overwhelmingly dependent on MNOCs for its revenues, hence the limited role of the Niger Delta people in oil and gas policy-making. State intervention, regulation and control of the oil industry do not necessarily promote the interest and welfare of the oil-producing communities but assist in maintaining the conditions necessary for capital accumulation. The state ensures the continuous flow of oil revenues and does everything within its power to ensure it is not interrupted. It protects MNOCs at the expense of the Niger Delta people.

Other writers such as Ake(1985), Biersteker(1987), Edogun(1985), Ekekwe(1985), Frynas(2000a), Graf(1988), Ihonvbere and Shaw(1988), Nore(1980), Obi (2000a, 2001a, 2001b, 2002), Obi and Soremeku(1995), Okereke(2004), Olojede et al. (2000), Osaghae(1998a), Turner(1978, 1980), and Ukiwo(1999) have used this viewpoint to a certain extent in their analyses. However, none of them have used it specifically to analyze the disparity between the Delta's demands for participation in oil and gas development and the government's institutional responses. Most of these accounts analyze the role of the state in the Nigerian oil industry, the impact of oil on the Nigerian political economy and on the oil-producing communities especially with regards to environmental degradation, repression and resistance. Hence, I am applying the instrumentalist perspective in a different dimension. I examine the discrepancies between the Niger Delta's demands and the state's responses to determine the extent to which these responses are fulfilling or confounding the views of the instrumentalist perspective on the modern state.

- **Significance of Study**

The literature on the Niger Delta is abundant due to the extensive media coverage of this area as a result of its importance for Nigeria's economy. However, there has been an extensive focus on the oil industry and its impact on the people, inequitable distribution of resources and revenue, unrest and human rights issues in the Delta that does not on the whole address the claims of the ethnic minorities of the Niger Delta in resource development and the level of participation provided for them by the institutional frameworks within which participation occurs.

This research seeks to fill this perceived gap in the literature on the Niger Delta. This study provides a detailed analysis of the role of the Niger Delta area in oil and gas development which other studies have tended to neglect. This study seeks to understand the demands, accommodation and involvement of the ethnic minorities of the Niger Delta in oil and gas policy-making that affects them.

Thus, this study is significant because little has been written regarding the role of oil-producing areas in oil and gas development and the analysis of institutional arrangements and actors which allow for the participation of local people in oil and gas policy-making. It contributes to the research and the debate on the role of oil-producing communities in the making of oil and gas policies and adds to the existing literature on the Niger Delta, politics and public policy. It is useful for scholars and administrators especially in Nigeria and Africa as a whole, which is almost torn apart by the issue of minority economic and political deprivation.

Chapter One

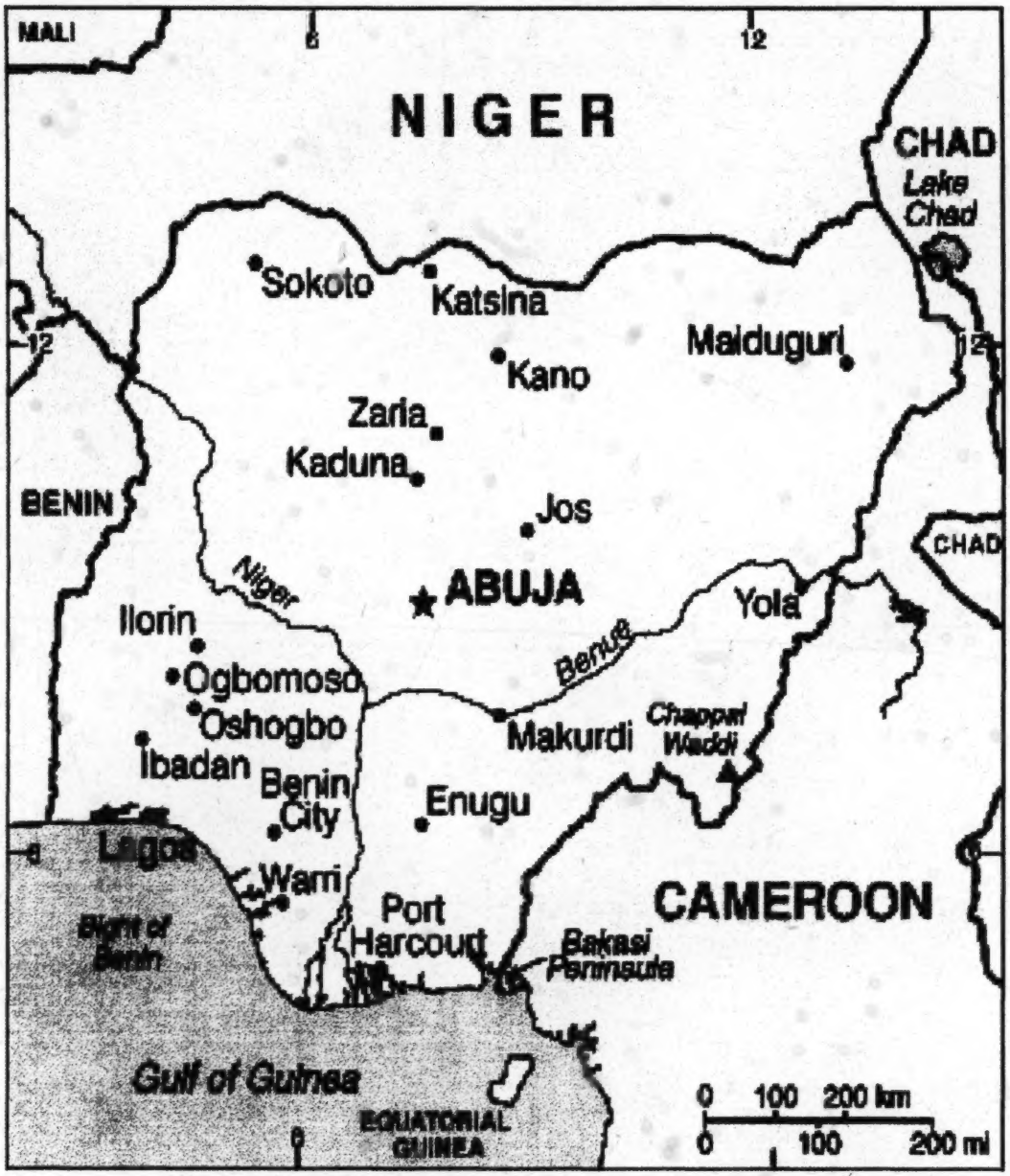
The State in the Nigerian Political Economy

This chapter provides a general overview of Nigeria; its origin, geography, peoples, economy and politics. It also looks at the Nigerian oil industry and underlines its significance to the Nigerian and international political economy; amongst other things it highlights the discovery of oil in Nigeria, production capacity, estimated reserves, key players (producers and importers), oil policies, and state participation in the oil industry. In this regard, it examines the nature of the Nigerian state and its role in the Nigerian political economy to assess whether the Nigerian state should be seen as an objective, autonomous regulatory entity or an instrument of capital accumulation and of the ruling class. It argues that the role of the Nigerian state in Nigeria's political economy is determined by its historical specificities such as colonialism, dependency, centralization, corruption, instability, ethnicity, and so on.

- **Nigeria: an Overview**

Nigeria is located in the tropics, on the eastern fringe of the Gulf of Guinea on the West Africa coast, east of the Greenwich meridian and north of the equator. Nigeria shares boundaries with the Atlantic Ocean in the south, the Republics of Chad and Niger in the north, the Republic of Benin in the west and Cameroon in the east (see Map 1) (Ikein 1990, 59; Oshionebo 2002, 3). Nigeria covers a total area of about 923,768 square kilometres (km^2), 910,768 km^2 of which consist of land and 13,000 km^2 of water. She is the most populous country in Africa, with a population of about 132 million people (CIA, 2006).

Map 1. Nigeria: Showing her Boundaries



Source: Central Intelligence Agency, the World Fact Book/ Nigeria Webpage
http://www.odci.gov/cia/publications/factbook/print/ni.html

Nigeria is endowed with abundant natural resources. She possesses large deposits of crude oil, natural gas, gold, limestone, columbite, lignite, iron ore, lead, zinc, tin, bauxite, diatomite, gypsum, uranium, coal, salt, copper, timber, rubber, cocoa and arable land. As a result, Nigeria is the most resource rich country in all of Africa and is referred to as the 'giant of Africa' due to its size and wealth (P. Badru 1998, 3; Ikein 1990, 60; Okereke 2004, 23).

Nigeria has two main seasons and a varied climate, vegetation and temperature. The dry season which spans from November to March is severe in the north whereas the rainy season from April to October is relentless in the south. While you have the tropical climate and equatorial forest vegetation in the south, you have arid climate and savannah vegetations in the north. The temperature ranges between 22 and 34 degrees Celsius. The two major rivers in Nigeria are the River Niger (from which Nigeria got her name) and River Benue (Ikein 1990, 59; Okereke 2004, 22-23).

Nigeria is made up of over 250 ethnic groups that are culturally, socially, religiously, and linguistically heterogeneous. However, the Nigerian political economy is dominated by the three largest ethnic groups – the Hausa-Fulani of northern Nigeria, the Yoruba of western Nigeria and the Igbo of eastern Nigeria, who respectively make up about 28, 20 and 17 percent of the Nigerian population (Okereke 2004, 23; Leith 2001, 35).

Nigeria is a federal state with a three-tier structure of government. At present it consists of the federal government, 36 states presided over by Governors, a Federal Capital Territory, Abuja presided over by a Federal Minister, and 774 Local Government Areas presided over by Chairmen. It operates a presidential system of government after a

failed attempt at the Westminster model adopted at independence. Its currency is the Naira (₦).

Nigeria has been plagued by a great deal of instability that has led to a civil war, frequent changes of government, as well as ethnic and religious conflicts. The Nigerian political system is characterized by tension, crisis and instability. Ethnic politics as well as the politics of brawn and bitterness prevails, leading to the failure of previous attempts to democratize. Nigeria is struggling with the democratic experiment and has seen more military governments than civilian (8 military; 4 civilian) since independence in 1960.

The Nigerian economy is import-export based and very dependent on the production, distribution and sale of a single commodity. At independence the Nigerian economy was agriculture based; cash crops such as cocoa, rubber, cotton, groundnuts, palm produce, hides and skin were produced and exported. Agricultural produce accounted for about 97 percent of total export and government earnings and 60 percent of Gross Domestic Product (GDP) up until the early 1970s. With the oil boom of the 1970s came a complete transition from an agriculturally-based economy to an oil-based economy. Since then oil has become much more significant and the agricultural sector has been neglected if not abandoned. Agricultural exports have declined to the point where the country imports food and agriculture now contributes to less than 10 percent of Nigeria's total earnings (Frynas 2000a, 9, 24-25; Ikein 1990, 19; Nnadozie 1995, 5; Obi 2000b, 284; Okereke 2004, 33, 36-37, 95; Onwioduokit 2002, 14; Pinto 1987, 434-435, 443). The vital role oil plays in the Nigerian political economy cannot be over-emphasized.

- **Significance of Oil in Nigeria**

Oil, today's 'black gold', is of great political, economic, military and strategic value as the most important source of energy, power, wealth, surplus value and exploitation in modern capitalism. Oil is used in the running of a number of goods and services and since it has no immediate substitutes it plays a central role in the capitalist accumulation process, which today is entirely dependent on ensuring the steady supply of oil (Bienen 1988, 227; Edogun 1985, 90; Ikein 1990, 25; Nore 1980, 82-83; Nore and Turner 1980, 1; Obi, 2001a, 174; 2002, 264-265; 2004, 6, 9; Okereke 2004, 1). Hence, it is not surprising that oil has come to take a central place in Nigeria's political economy.

Oil exploration in Nigeria was started in 1908 by the Nigerian Bitumen Company, a subsidiary of a German company. However, it was not until 1956 that Shell D'Arcy (now Shell Petroleum Development Company (SPDC)) first discovered oil in commercial quantities at Oloibiri in present day Bayelsa state, then at Afam in 1957, Ebubu and Bomu in 1958. Increased oil production led to the first oil exports in 1958 when production reached 5, 100 barrels per day (Aminu 1991, 7; Atsegbua 1992, 9; 1999, 57; Azaiki 2003, 78-80; Ejobowah 2000a, 34; Frynas 2000a, 9; Ikein 1990, 3, 21, 24; Ikein and Briggs-Anigboh 1998, 272; NNPC 2005a, 2005b; Obi and Soremekun 1995, 7, 10; Okereke 2004, 44-45).

Nigeria produces high-quality 'light sweet crude' that contains low sulphur and may be used to produce more light oil products such as kerosene and propane. This, coupled with other factors, such as relatively low operating costs, high profit potential, number and size of proven and unassessed discoveries, high success rate of drilling, proximity to the western market, and high incentives offered by the Nigerian government,

makes Nigeria's oil attractive, very much in demand and of great international importance (Aminu 1991, 7-8; Ashton-Jones 1998, 135-136; Darah 2001, 20; Frynas 2000a, 20-24; Ihonvbere 1983, 49; Nnadozie 1995, 17; Okereke 2004, 49; Okonta and Douglas 2001, 53-54). As a result, practically all of the world's big MNOCs are exploring for and producing oil in Nigeria. They produce most of Nigeria's oil; Shell accounts for 42.2 percent, Mobil 21.2 percent, Chevron 18.6 percent, Agip 7.5 percent, Elf 6.1 percent, and Texaco 2.6 percent while other oil companies including indigenous ones account for 1.7 percent of Nigeria's oil production (Okonta and Douglas 2001, 54). Also, Nigeria alone contributes about 14 percent of Shell's total worldwide oil production (Greenpeace International 1994, 6). As well, Nigeria's crude oil is exported all over the globe, with the United States, Brazil and Spain respectively importing about 49.2, 9.5 and 7.5 percent of Nigeria's total crude oil export (CIA, 2006). Other importers include India, Canada, France, Italy, Indonesia, Japan, South Africa and Ghana (NNPC 2005c, xiii, 23).

Oil production, exports and revenues have increased significantly over the years in Nigeria. Production increased steadily from an insignificant production of about 5,100 barrels per day in 1958 to over 2.5 million barrels per day today, in addition to about 34 billion barrels of proven oil reserves. Nigeria is the largest oil producer in Africa, the sixth largest in the world, and fourth largest in the Organization of Petroleum Exporting Countries (OPEC) (NNPC 2005a, 2005b; Nwankwo 2002, 17-18). It accounts for about 3.2 and 5.7 percent of the world's total oil production and exports respectively (NNPC 2005c, 51). With this status has come rapid growth in the oil industry and a significant increase in the contribution of oil revenue to the Nigerian political economy. Oil's share of total export earnings rose from 10.75 percent in 1963 to 98.2 percent by 1996 (Frynas

2000a, 24). Also, the percentage share of oil's contribution to Nigeria's GDP rose from about 0.7 percent in 1958-59 to about 32 percent today (CBN 2005, 33, 63, 146-147; FOS 2004, 2; Ihonvbere 1983, 49). Likewise, oil revenues, as a percentage of total government revenue, rose steadily from 0.08 percent in 1958 to 91.0 percent by the first quarter of 2006 (see Table 1) (CBN 2006a, 1, 9; Gabriel 2006; Obi and Soremekun 1995, 23). Oil has supplied over 340 billion U.S. Dollars (USD) to the Nigerian treasury in the last 4 decades (Obi 2004, 5).

Nigeria also produces natural gas. It has about 159 trillion cubic feet of proven gas reserves but is currently producing only about 2 billion cubic feet daily (NNPC 2005b). However, about 75 percent of it is flared; only a small amount is re-injected, tapped or sold for electricity and industrial uses (Ashton-Jones 1998, 137, 158). With the increasing significance of gas as an alternative source of energy, new initiatives such as the Nigeria Liquefied Natural Gas Limited (NLNG) have been put in place to develop and increase Nigeria's gas production (Azaiki 2003, 82; Ikein 1990, 175). The potential of this resource is estimated to be greater than those of oil and expected to be Nigeria's next main source of revenue (Hutchful 1985, 117; Ikein 1990, 175; Ikein and Briggs-Anigboh 1998, 273).

Hence, oil and gas are central to the Nigerian economy. Oil is virtually the sole source of national revenue and the fiscal base of Nigeria's economic growth and development. The Nigerian state exclusively depends on oil revenues to perform its functions and sustain the Nigerian political economy. Consequently, the tremendous financial, political and economic importance of oil has greatly influenced the character of the Nigerian state.

Table 1. Contribution of Oil and Non-Oil Revenue to Total Federally Collected Revenue 1958 – 2005

(=₦= Million)

Year	Total Federally Collected Revenue	Oil Revenue	Non-oil Revenue	Percentage Contribution	
				Oil	Non-oil
1958-9	154.6	0.1	154.5	0.08	99.92
1959-60	177.6	1.8	175.9	1.0	99.0
1960-1	223.7	2.5	221.3	1.1	98.9
1961-2	229.0	17.1	211.9	7.5	92.5
1962-3	231.6	16.9	214.7	7.3	92.7
1963-4	249.2	10.1	239.1	4.0	96.0
1964-5	299.1	16.1	283.1	5.4	94.6
1965-6	321.9	29.2	292.7	9.1	90.9
1966-7	339.2	45.0	294.2	13.3	86.7
1967-8	300.2	41.9	258.3	14.0	86.0
1968-9	300.0	29.6	270.4	9.9	90.1
1969-70	435.9	75.4	360.5	17.3	82.7
1970	634.0	166.6	467.4	26.3	73.7
1971	1,168.8	510.1	658.7	43.6	56.4
1972	1,405.1	764.3	640.8	54.4	45.6
1973	1,695.3	1,016.0	679.3	59.9	40.1
1974	4,537.4	3,724.0	813.4	82.1	17.9
1975	5,514.7	4,271.5	1,243.2	77.5	22.5
1976	6,765.9	5,365.2	1,400.7	79.3	20.7
1977	8,042.4	6,080.6	1,961.8	75.6	24.4
1978	7,371.0	4,555.8	2,815.2	61.8	38.2
1979	10,912.4	8,880.8	2,031.6	81.4	18.6
1980	15,233.5	12,353.3	2,880.2	81.1	18.9
1981	13,290.5	8,564.4	4,726.1	64.4	35.6

Table 1 (Continued)

Year	Total Federally Collected Revenue	Oil Revenue	Non-oil Revenue	Percentage Contribution	
				Oil	Non-oil
1982	11,433.7	7,814.9	3,618.8	68.3	31.7
1983	10,508.7	7,253.0	3,255.7	69.0	31.0
1984	11,253.3	8,269.2	2,984.1	73.5	26.5
1985	15,050.4	10,923.7	4,126.7	72.6	27.4
1986	12,595.8	8,107.3	4,488.5	64.4	35.6
1987	25,380.6	19,027.0	6,353.6	75.0	25.0
1988	27,596.7	19,831.7	7,765.0	71.9	28.1
1989	53,870.4	39,130.5	14,739.9	72.6	27.4
1990	98,102.4	71,887.1	26,215.3	73.3	26.7
1991	100,991.6	82,666.4	18,325.2	81.9	18.1
1992	190,453.2	164,078.1	26,375.1	86.2	13.8
1993	192,769.4	162,102.4	30,667.0	84.1	15.9
1994	201,910.8	160,192.4	41,718.4	79.3	20.7
1995	459,987.3	324,547.6	135,439.7	70.6	29.4
1996	520,190.0	408,783.0	111,407.0	78.6	21.4
1997	582,811.1	416,811.1	166,000.0	71.5	28.5
1998	463,608.8	324,311.2	139,297.6	70.0	30.0
1999	949,187.9	724,422.5	224,765.4	76.3	23.7
2000	1,906,159.7	1,591,675.8	314,483.9	83.5	16.5
2001	2,231,532.9	1,707,562.8	523,970.1	76.5	23.5
2002	1,731,837.5	1,230,851.2	500,986.3	71.1	28.9
2003	2,575,095.9	2,074,280.6	500,815.3	80.6	19.4
2004	3,920,500.0	3,354,800.0	565,700.0	85.6	14.4
2005	5,547,500.0	4,762,400.0	785,100.0	85.8	14.2

Source: Compiled from Central Bank of Nigeria, Statistical Bulletin Vol. 14 (2003, 196, 202-209) & Annual Report 2005 (2006b, 66-67,164); and Osaghae (1998a, 20).

- **The Nature of the Nigerian State**

This section examines the character of the Nigerian state by looking at Nigeria's peculiar and specific historical experience as a post-colonial state. It will help us in our understanding of how and why the Nigerian state acts and responds in certain ways, especially in the making of oil and gas policies. Thus, among other things, it traces the origin of the Nigerian state to colonialism and examines how its colonial legacy led to its dependent and 'rentier' nature. It also explores how this affects the structure, autonomy and stability of the Nigerian state.

- The Colonial Nature of the Nigerian State.

Nigeria is a product of colonialism. It came into being in 1914, when as part of the scramble for Africa Sir Frederick Luggard on behalf of the British colonial government amalgamated the Northern and Southern Protectorates into a single geopolitical entity named Nigeria. The amalgamation brought together peoples with diverse cultural, linguistic, social, religious, and economic backgrounds for administrative and strategic reasons. Thus, Nigerians did not negotiate the terms of their coming together; rather, they were forcefully brought together by political, economic and military subjugation under colonialism just because they occupied a contiguous geographical area (Akani 2002, 35; P. Badru 1998, 19, 70-72; Graf 1988, 7; Obi 2000a, 79; 2000b, 283; 2001a, 16-17; Ikein 1990, 60; Okereke 2004, 18-20; Osaghae 1998a, 4; 2001, 1; Peters1997, 47).

Nigeria was created to serve the economic needs and capitalist interest of the colonial power which was essentially the appropriation of raw materials and provision of markets for their finished goods. The Nigerian colonial economy was not only imposed

but also tied to the needs of the western economy, especially those of its colonial lord, Britain. Nigeria produced and exported agricultural commodities Britain needed for its growing industrial base whilst importing the manufactured consumer goods it needed from Britain. It basically exported the raw materials it produced and imported the finished goods it consumed. This trend continued even after independence because colonialism created the necessary capitalist institutions, structures and relations needed for the continued exploitation of the colonies. It forcefully integrated Nigeria into the international capitalist economy to perform a specific peripheral function in the international division of labour, as a producer and supplier of essential raw materials and a market for finished industrial goods. This was at Nigeria's own expense and at the service of the accumulation needs at the metropolitan core. It remains the basis for the continued exploitation of Nigeria's resources (Akani 2002, 35-36, 50; P. Badru 1998, 19, 46, 55; Graf 1988, 218; Ihonvbere 1983, 59; Obi 2000b, 281-283; Turner and Badru 1985, 9-11; Williams 1970, 229, 236; 1976, 13, 21-28).

Colonial structures, including the Nigerian state, were inherited and sustained after independence. The Nigerian state was neither conceived nor structured based on Africa's peculiar historical experiences but was a foreign imposition. Political independence basically changed the players (transferred power to Nigerians) but the rules of the game, mode and relations of production, and institutions established under colonialism remained the same. The post-colonial Nigerian state retained the character of a colonial state and the structures of the colonial economy. This resulted in the state's dependence on foreign capital and its continuous link to the capitalist interest of the core

(Ekekwe 1985, 53- 56; P. Badru 1998, 26- 28, 46, 55; Graf 1988, 226-229; Osaghae 1998a, 19-20; 2001, 7-8; Turner 1985, 9-12).

- The Dependent Nature of the Nigerian State.

Independence did not deliver control of the political economy to Nigerians as resource extraction continued under the terms inherited from colonialism (Biersteker 1985, 5). Colonial oil policies were deliberately designed to satisfy British interests and not those of Nigerians. Colonialism established foreign control of Nigerian oil industry and created an unequal and dependent relationship between the Nigerian state and MNOCs. Nigeria's colonial laws vested mineral resources solely in the crown and established British monopoly over Nigerian oil. Colonial oil policies such as the 1889 Ordinance, the 1907 Mineral Oil Ordinance, the Mineral Oil Act of 1914 and the 1937 Colonial Mineral Ordinance granted oil concessions, licences and leases only to British companies and British subjects, and established generous contractual terms for the oil companies. British Petroleum (BP) and Shell (later Shell-BP) had exclusive oil exploration rights and as such controlled all oil acreages in pre-independence Nigeria. Also, the Mineral Oil Ordinance of 1959 and the Petroleum tax Ordinance of 1959 established conditions for the continued exploitation of Nigeria's resource after independence in 1960. They did not provide for national participation in the oil industry but rather provided favourable fiscal terms to oil companies by offering them lengthy and generous concessions and lower rates of rents and royalties (Ejobowah 2000a, 34; Frynas 2000a, 15, 29-30; Obi 2000a, 81; 2000b, 284; 2002, 267; Obi and Soremekun 1995, 7-11; Okereke 2004, 44, 97; Okonta and Douglas 2001, 23; Soremekun 1995, 179; Turner 1978, 180).

As part of both British and Nigerian decolonization policies and processes, the Nigerian oil industry was opened up and concessions were granted to American, French and Italian oil companies. Mobil Oil Corporation began operations in 1955, Texaco Overseas and Chevron in 1961, Agip Oil Company and Elf Petroleum in 1962, and Phillips Oil Company in 1965 followed by many others (NNPC 2005a, 2005b). Nevertheless, Shell retained the largest and most promising oil acreages and remains the largest operator in Nigeria (Frynas, Beck, and Mellahi 2000).

The Nigerian oil industry lacked national or state involvement until the 1970s. The Nigerian state, encouraged by OPEC Resolution XVI Article 90 of 1968, which called for greater participation and representation of the state in the oil industry, enacted several laws that established state participation in the oil industry. The Petroleum Decree No.51 of 1969 abrogated the colonial mineral ordinance, established national ownership of mineral resources and state control of the oil industry amongst other things. Decree No. 18 of 1971 established the state oil corporation – the Nigerian National Oil Corporation (NNOC), later renamed the Nigerian National Petroleum Corporation (NNPC), charged with the responsibility of regulating as well as participating in the oil industry. It engages in oil exploration, production, refining, transportation and marketing, and has so far acquired about 55 to 60 percent equity shares in all oil companies operating in Nigeria in the form of Joint Venture Agreement (JVA), production Sharing Contract (PSC) and Risk Service Contract (RSC). However, despite their minority shares, MNOCs retained effective control over the day-to-day operations of the joint ventures and make important operational and managerial decisions concerning the Nigerian oil industry since they own and control the capital, expertise and technology needed for oil

exploration and production. They are involved in both upstream and downstream oil and gas operations and produce virtually all of Nigeria's oil and gas. The major MNOCs alone account for about 98 percent of Nigeria's total oil production. Hence, despite the indigenization of the Nigerian oil industry, the Nigerian state still depends overwhelmingly on MNOCs for its oil and gas production. The state's role in the oil industry has remained minimal and limited to regulating and supervising oil industry operations. It legally owns and controls all resources in Nigeria, issues licences and leases, draws out operational terms and conditions, as well as approves and finances part of the budgets of its partnership amongst other things (Adeniji 1977, 157-175; Aminu 1991, 10-11; Atsegbua 1992, 52-63; 1999, 59-62, 64-71; Biersteker 1985, 5-7, 31, 75-76, 175, 216, 240-260, 284; Frynas 2000a, 28-33, 37, 41, 57; 2003, 101-103; Ikein 1990, 2-10, 20-26; Obi 2000b, 284-285; 2002, 268-269; Obi and Soremekun 1995, 7-8, 15-22; Okonta and Douglas 2001, 22-23, 49-56; Olisa 1987, 3-5, 6-14, 67-85; Onoh 1983, 19-36; Soremekun 1995, 179-183; Turner 1978, 180, 191-193; 1980, 208-217; 1985, 13; White and Taylor 2001, 333-334).

The failure of these indigenization measures could be attributed to the state's lack of information, expertise, technology, and funds needed for the extraction, production and marketing of oil. Other constraints include inefficiency, corruption, dependency and foreign capital monopoly, as well as the limited autonomy of the Nigerian state, its lack of political will and unwillingness to alienate MNOCs (Bienen 1985, 15-16; Frynas 2000a, 28, 31; Iyalomhe 1998, 9; Obi and Soremekun 1995, 21; Olojede et al. 2000, 19; Pearson 1970, 91; Turner 1980, 199, 211, 217). Hence, Williams (1976, 33-34) asserts:

> Its nationalism is the outcome of its wish to appropriate resources back from the foreigner; its commitment to foreign investment is the outcome of its concrete

> dependence on the neo-colonial political economy. ... The demand for Nigerianization ... falls short of the demand for expropriation of foreign capitalists on whom the Nigerian bourgeoisie remains dependent.

Since the Nigerian oil industry is the hub of the Nigerian political economy and the Nigerian state depends largely on oil revenues to discharge its functions, finance socio-economic programmes and development projects, the Nigerian state has come to depend solely on MNOCs to produce oil and to generate all of its revenue. Likewise, MNOCs rely on the state for access to its mineral resources. The Nigerian state is committed to ensuring a steady supply of revenue, just as MNOCs aim at maximizing profit and ensuring the steady supply of oil to the metropolis. Consequently, the Nigerian state and MNOCs have formed an alliance and collaborate to achieve their complementary economic goals. In this partnership the Nigerian state gives MNOCs unrestricted access to oil resources, while the MNOCs provide revenue in the form of taxes, rents, royalties and profits for the state. In the process the Nigerian state is compelled to do whatever it takes to keep its source of revenue. State structures, institutions and policies are used to guarantee and sustain the conditions necessary for capital accumulation. The state's dependence on MNOCs discourages it from making and implementing policies that are anti-capital but influences it to promote policies that facilitate and expand the production of surplus value from oil. As a result the state, driven by the profit motive, becomes a tool for capitalist accumulation. It serves and advances the interests of capital and not those of the populace (Akani 2002, 50; Ake 1985b, 21-22, 27; P. Badru 1998, 24; Biersteker 1985, 5, 175; Frynas 2000a, 8, 27-28; Gills 2000, 3-4; Ihonvbere and Shaw 1998, 219-220; Ikein 1990, 28; Nore 1980, 82-83; Obi 2000b, 280-282, 285; 2001b, 173-174; 2002 265-266; Obi and Soremekun 1995, 11; Olojede et al. 2000, 1, 22; Sagay 2001, 21).

The Nigerian state is so dependent on foreign capital that it has introduced several attractive financial incentives and favourable contractual terms in the form of concessions, waivers and exemptions aimed at increasing foreign investment, oil and gas production and the continuous flow of oil revenue. For example, the Memorandum of Understanding (MOU) signed in 1986 (and improved in 1991) between the government and oil companies aimed at boosting the exploration and production of oil in Nigeria. The MOU guaranteed the oil companies financial benefits such as a guaranteed profit margin and monetary bonus as incentive for increased oil production. The government's favourable fiscal arrangements have greatly increased the number of oil companies operating in Nigeria from 8 in 1966, to 12 in 1986, to over 50 in 1998. Also, these incentives have increased the dependence of the Nigerian state on MNOCs and the international economy by intensifying the exploration and production of Nigerian oil and gas resources (Atsegbua 1992, 59; Frynas 2000a, 17-23, 33-38; Ikein 1990, 8; Obi and Soremekun 1995, 8; Okonta and Douglas 2001, 51, 99; Olisa 1987, 2).

The Nigerian state's over-dependence on oil revenues results in the continued dislocation of the Nigerian economy which is today full of contradictions and in complete disarray. It promotes the indigenization of the Nigerian oil industry whilst offering incentives to foreign capital. It exclusively depends on the oil sector to the detriment of other commodities and sectors like the agricultural and solid mineral sectors. It produces what it does not consume for export while importing and consuming what it does not produce (Graf 1988, 224; Ihonvbere and Shaw 1998, 102; Osaghae 1998a, 28-29; Turner 1976, 63-64). This is underlined by Graf (1988, 219) who asserts that "the Nigerian economy has come to conform to the classic profile of a mono-mineral, dependent

enclave economy resembling, in Crawford Young's metaphor (1982, 219), 'an inverted pyramid, teetering precariously on a hydrocarbon pinnacle'. As such, it has evolved into a *rentier state*."

- The 'Rentier' Nature of the Nigerian State.

The tremendous reliance of the Nigerian economy on a foreign controlled oil industry reduces the Nigerian state to a rent receiving land and resource owner. The Nigerian state has come to be a 'rentier' state, that is, a state that derives substantial revenue from rents, royalties and taxes it receives regularly from foreign enterprises for the extraction and production of its resources. With the oil boom and subsequent rise in oil revenues, oil became the principal source of rent for the Nigerian state. Although the Nigerian state now derives other types of revenues such as profits from its equity share in partnership agreements with oil companies, it has basically remained a rent receiver (Frynas 2000a, 27-29; Graf 1988, 219; Ihonvbere 1983, 45-47; Ihonvbere and Shaw 1988, 39-40; Nore 1980, 80-82; Obi 2002, 278; 2004, 16-17; Okereke 2004, 144-145; Okonta and Douglas 2001, 29; Osaghae 1998a, ix, 28-29; Soremekun 1995, 178; Turner 1985, 10-15; Turner and Badru 1985, 11; Ukiwo 1999, 40-42, 61). Thus, Graf (1988, 219-220) points out:

> The essential feature of the rentier state in the world market is that it serves the link between production and distribution. State revenues accrue from taxes or 'rents' on productions, rather than from productive activity. This production depends, however, on techniques, expertise, investment - and markets - generated outside the territory controlled by the state. For this reason, practically all aspects of exploration, production and marketing are dominated by international capital, typically in the form of the transnational corporation. For the transnationalised state, rents derive from local ownership of the areas and/or resources of extraction.

Other characteristic features of the rentier state which the Nigerian state exhibits include its incorporation into and dependence on international trade links with the advanced

capitalist countries, the continued dislocation and 'enclave' nature of its economy, and its predisposition to crisis and instability (Graf 1988, 220-221, 224; Ihonvbere and Shaw 1988, 33, 40- 41; 1998, 68, 102; Osaghae 1998a, 28-29; Ukiwo 1999, 40- 42).

- The Limited Autonomy of the Nigerian State.

The Nigerian state attempts to mediate class struggles and remain an autonomous entity within the historical and peculiar circumstances of its creation and maintenance. However, its autonomy is limited by a number of factors such as its colonial heritage, peripheral position and over-dependence on foreign capital. Hence, the Nigerian state is biased in favour of that capital. State power and institutions are used to maintain and expand the interest of the foreign capital that hitherto established the state (Ake 1985b, 16-20, 28, 31; Ihonvbere and Shaw 1988, 41; Osaghae 1998a, 29-30 Udogu 1999, 5). So Ake (1985b, 10) asserts, "[t]he limited autonomy of the state in Nigeria has been rendered even more so by the colonial legacy of statism. The colonial state in Nigeria was a crude tool of colonial capital. It was used to coerce Africans into commodity relations, to change their pattern of production, to prevent the emergence of a competitive African bourgeoisie."

The Nigerian state is dependent and vulnerable to external pressures from the international economy, the global oil market, OPEC and MNOCs who own the expertise used in oil production. The status, power, capital and technology of these external factors are no match for the Nigerian state. As a result, the Nigerian state enjoys little or no autonomy in relation to these externalities that influence it and undermine its autonomy in the process. The state promotes and defends capital accumulation with its ideological

and repressive apparatuses and ends up being a tool in the hands of global capital, despite all the changes and reforms it carries out to appear neutral (Ake 1985a, 2-3; 1985b, 20-22, 27-28, 31; Akani 2002, 2-3, 35-36; P. Badru 1998, 26-30; Biersteker 1985, 96; Frynas 2000a, 29; Obi 2000a, 79, 84; 2000b, 281, 285; 2002, 277; 2004, 10,18; Ihonvbere 1983, 45; Ikein 1990, 6, 203-204, 223-227; Soremekun 1995, 178; Turner 1976, 67; 1980, 3, 202-204; White and Taylor 2001, 337-340). Ihonvbere and Shaw (1998, 219) sum this up as follows:

> The relationship between the Nigerian state and transnational oil corporations is underscored by the importance of oil to the state and its custodians. Given the rentier character of the Nigerian state as evidenced in its near total dependence on the production and sale of oil for revenues, the oil industry has come to occupy the most strategic location in its socio-economic, political, and security calculations. Since transnational capital controls the information, technology, high level skills, and access to the global market; the weak, unsteady, unstable, and non-hegemonic neo-colonial state operates at the mercy of capital. … As oil became more critical to its survival, it initiated ways to strengthen its relationship with capital, and domesticate other forces in the sector.

Hence, Ikein (1990, 14) asserts:

> Although producer nations [like Nigeria] have made gainful strides, their relative bargaining power has been eroded by their continuous dependence on the economies and technology of oil consuming nations. In addition their bargaining strength continues to be controlled by the demand and supply of oil and the degree of essentiality of oil in the world market.

Also, the Nigerian state is relatively autonomous in its relationship with the social forces within Nigeria. It is susceptible to internal pressures from the hegemonic class, labour and the masses, whose activities could stop the flow of rents on which the state largely depends. The Nigerian state as a rent receiver is an object of capital accumulation and class conflicts. It is not independent of social classes but remains reliant on the hegemonic class through which it gained power in the first place. It is immersed in the intense inter- and intra-class struggle for the control of state power. Hence, it has not

been able to regulate and mediate conflicts between and within social classes effectively. It perpetuates the interest of the dominant class and is an instrument of class domination (Ake 1985a, 2, 9; 1985b, 18-22; Akani 2002, 49; P. Badru 1998, 26, 30; Ekekwe 1985, 54-55; Graf 1988, 225; Obi 2001a, 48; 2004, 18; Ukiwo 1999, 35; Williams 1976, 12). P. Badru (1998, 30-31) sums up the very limited autonomous nature of the Nigerian state thus: "a neocolonial state could only function within the limits of the competition between internal social classes and international capital. In the last resort, a week neocolonial state, like the Nigerian state, would bow to the wishes of international capital instead of protecting the interests of internal social classes" (Sic).

- The Centralized Nature of the Nigerian State.

The Nigerian state advances capital accumulation and ensures the continuous flow of revenue by centralizing power, resources and revenue in the federal government. It limits access to oil and gas development and eliminates competition to facilitate oil-based accumulation. Centralization limits the number of players in the decision-making field and enables the Nigerian oil industry to be run like a personal fiefdom to the benefit of the state-MNOCs alliance and to the detriment of the populace whose basic rights to participate in the politics and economy of their country are infringed upon (Anam-Ndu 2002, 59; Graf 1988, 224-225, 230; Obi 2000a, 87, 91; 2002, 279, 2004, 6, 18; Osaghae 1998a, 19; Turner 1976, 66, 76; 1985, 36-38). The centralization of the Nigerian state was facilitated by rising oil revenues and long years of military rule, as shown below.

Nigeria, in its short history as an independent country, has witnessed several constitutional reforms and political changes all geared towards centralizing the Nigerian

state. At independence in 1960, power, resources and revenues were decentralized. The 1960 Independence Constitution and 1963 Republican Constitution established a federation with two levels of government and assigned powers to both the central and regional governments. They concentrated power at the regions by providing for politically and financially strong autonomous and self-governing regions with a weak centre. The then regions controlled residual powers covering a broad range of matters including the initiation of foreign policies, taxation, provision and distribution of social facilities such as education, health, agriculture, town planning and public works, as well as the running of public institutions such as the police, civil service, marketing boards, and government corporations. The federal government's exclusive powers were limited to transportation, economic planning and development. As well, it had emergency powers that allowed it to take control of any region in an emergency situation (Azaiki 2003, 30, 33; Akinyele 2000, 245-246; Ejobowah 2001, 2, 63, 65, 87, 93; Ikein and Briggs-Anigboh 1998, 48-51; Okpu 1977, 151, 154-155, 162-163).

However, this trend changed under military rule in 1966 when the army took over political power and steered the Nigerian ship of state for about twenty-nine years. The military reversed the political framework put in place under democratic rule and considerably altered the whole constitutional, political, economic and fiscal structure at will. Military rule was a departure from the fundamental tenets of democracy and federalism, which granted the component units some decree of autonomy and powers. On coming into power, the military suspended the constitution, banned all legislative, political and civil institutions, and enacted legislation through authoritative decrees and edicts which were binding and unchallengeable. They introduced the rigid and centralized

military power structure and hierarchical chain of command into governance. This undermined the federal power-sharing arrangements and led to the administration of the Nigerian federation as a de-facto unitary state devoid of accountability, checks and balances (Azaiki 2003, 37; Bienen 1985, 11; Ejobowah 2001, 159, 166; Gboyega 1979, 235 – 239; Ikein and Briggs-Anigboh 1998, 21, 52-55, 118; Kirk-Greene 1983, 458; Leith 2001, 37; Matthews and Solomon 2002, 15-16; Nwabueze 1992, 113-115; Nwankwo 2002, 23; O. Ojo 2002, 1, 6; Okonta and Douglas 2001, 24-25; Olojede et al. 2000, 22-23; Onwioduokit 2002, 12; Quaker-Dukubo 2000, 74).

The military's centralizing initiatives were intensified by the growing significance of oil and increasing oil revenues (Bienen 1983, 1-2, 5; 1985, 11; Leith 2001, 37; Obi 2004, 6, 17; Olowu 1990, 210; Oyediran 1979, 195-196). As Bienen (1983, 2) rightly notes, "[l]arge new oil revenues not only provided government with the financial resources to undertake new programs and projects and to expand oil programs, but they affected the very institutions which were to make policy and the nature of centralization of authority and decision making in Nigeria."

Accordingly, successive Nigerian military governments successfully altered the constitutional division of power, functions and resources between the three branches and three tiers of government through undemocratic decrees which have persistently centralized the Nigerian federation without popular consultation, participation and approval. Military rule fused and concentrated both legislative and executive powers and functions in the Federal Military Government which became the new pre-eminent decision-making body, revenue collector and allocator in the country. Also, the military instituted federal dominance by reducing and restricting regional (later state) powers to

only a few residual issues, while expanding and concentrating exclusive powers over a broad range of subjects in the federal government. Over the years, the Federal Military Government took over the constitutional powers and responsibilities of the states, by transferring some issues such as primary and secondary education, health services, housing, urban development and sports from the state residual legislative list to the shared concurrent legislative list. It also moved higher education, agriculture, census, commercial and industrial development, police, prisons, arms, labour, trade unions etc. from the concurrent list to the federal exclusive legislative list (Ikein and Briggs-Anigboh 1998, 61, 64, 109, 124-125, 139-140; Odetola 1978, 89-93; Olowu 1990, 208-209; Nwabueze 1992, 113, 115-119). The military further modified the entire fiscal system and centralized resources and revenues at the centre by transferring ownership and control of natural resources and revenues from the states to the federal government in the guise of starving secessionist Biafra of funds during the civil war (Azaiki 2003, 171-172; Bienen 1985, 11; Ikein and Briggs-Anigboh 1998, 61, 107-113). Some of the military laws used in altering fiscal federalism in Nigeria are discussed below.

The Petroleum Decree No 51 of 1969 vests exclusive ownership and control of all mineral resources including oil and gas in, under, or upon any land and water including the territorial sea and continental shelf in the federal government (Azaiki 2003, 171-172; Ejobowah 2000a, 36; Obi 2001a, 25-26; Okereke 2004, 97, 98-99, 102; Onwioduokit 2002, 6; Oshionebo 2002, 68- 72; Sagay 2001, 22, 25-26).

The Offshore Oil Revenue Decree No.9 of 1971 granted the Federal Government total ownership and control of the territorial waters and continental shelf, including all minerals and revenues derived from it. It created a distinction between offshore and

onshore oil production and transferred all offshore oil rents and royalties from the states to the federal government. It abrogated Section 140(6) of the 1963 Constitution which granted ownership of the continental shelf together with its resource content to the region in whose territory it is located (Azaiki 2003, 134, 164-165, 172-173; Ikein and Briggs-Anigboh 1998, 138, 294; Obi 2001a, 26; Obi and Soremekun 1995, 16-17; O. Ojo 2002, 12; Onwioduokit 2002, 46, 98; Sagay 2001, 22, 25).

Decree No. 38 of 1971 gave the federal government the sole right to grant oil exploration, prospecting and mining leases to oil companies (Obi 2001a, 26). And so oil companies negotiate and deal only with the federal government without local consultation and participation.

The Constitution (Distributable Pool Account) Decree No. 13 of 1970, the Constitution (Financial Provision, etc) Decree No. 6 of 1975, the Allocation of Revenue (Federation Account) Amendment Decree No. 36 of 1984 and Decree No. 23 of 1992 altered the revenue allocation formulas used in distributing revenue amongst the tiers of government while enhancing the federal government's fiscal base. First, Decree No. 13 of 1970 increased the revenues paid into the federal Distributable Pool Account (DPA) (a depository and channel for redistributing centrally-collected federal revenues to the states) from 30 to 50 percent, allocated an additional 5 percent to the federal government and reduced the percentage of rents and royalties that went to the states of derivation from 50 to 45 percent. Then, Decree No. 6 of 1975 further increased the federal DPA share of revenue to include 80 percent of onshore oil proceeds and 100 percent of offshore oil proceeds. It also transferred funds such as excise, export and import duties that hitherto went to the states of derivation to the federal DPA and reduced the

proportion of revenue due the states of derivation to only 20 percent onshore oil proceeds (Azaiki 2003, 134; Bienen 1985, 19-20; Ejobowah 2000a, 35-36; Furro 1998, 228, 239; Ikein and Briggs-Anigboh 1998, 137-139, 294-295; O. Ojo 2002, 12-14; Osaghae 1998a, 72-73; Oyovbaire 1978, 224-225, 228-229, 230-231). Furthermore, Decree No. 36 of 1984 assigned 55 percent of the centrally-collected revenues to the federal government, 32.5 percent to the states, 10 percent to the local governments, and 4.5 percent as special funds to be distributed as follows: 2 percent for the states of derivation, 1.5% for the development of oil-producing areas and 1% for disaster relief (Uche and Uche 2004, 29-30). Next, through Decree No. 23 of 1992, the federal government retained 48.5 percent of the centrally-collected revenues, while the states and local governments received 24 and 20 percent respectively, in addition to what is due them from the 7.5 percent assigned as special funds to be distributed as follows: 3% as derivation, 2% as ecological fund, 1.5% for stabilization and 1% for the development of the Federal Capital Territory (RMAFC 2004). These fiscal decrees increased the federal government's share of oil revenues to the detriment of the states and local governments that have since become financially weak and dependent.

The Land Use Decree No. 6 of 1977, which was later made an Act in 1978 and entrenched into the 1979 Constitution (and subsequent constitutions) by the Federal Military Government, nationalized and legally vested ownership and control of all lands in the country in the Nigerian state, with the goal of harmonizing land tenure systems to facilitate access to land for socio-economic development. The Act abolished all customary individual and communal rights to own, manage and control land by transferring land ownership from the communities to the state. It gave the state sole

custody and ownership of all land in Nigeria and made the Nigerian government the new landowner. The Act authorized the Governor of each state to administer, control and manage all lands within the state's territory on behalf of the federal Government. It empowered the government to claim and appropriate any piece of land for the public's interest, which was defined as for mining purposes. The Act only allowed the former land owners to occupy the land at the permission of the Governor who issued individual and group rights of occupancy which could be revoked at any time for public purposes and benefit. State governors are empowered by the Act to acquire any land when it is required for mining purposes such as for oil and gas exploration and infrastructures. The Act legalized compulsory land acquisition for oil industry operations and marked the end of compensation for land acquisition. The act required that payments of rent and royalties for land be made to the federal government and not to the communities as was hitherto the case. Oil companies are only required to pay the communities very low compensation for the land's surface i.e. crops, buildings and other structures on the surface of the land. Evidently, the Act was aimed at facilitating oil and gas production and capital accumulation with little or no competition over land (Ake 1985b, 16-17; Azaiki 2003, 107, 156, 173; Frynas 2000a, 75-80; 2000b, 21-22; 2003, 101- 102, 109; Graf 1988, 70, 194-195; Iyalomhe 1998, 35-36; Nnadozie 1995, 93-94, 103; Obi 2001a, 26-27; Oshionebo 2002, 68-71; World Bank 1995, 89-90). Hence Ake (1985b, 16-17) asserts:

> The intervention of force in the labour process and the associated tendency to accumulate with political power is exemplified by the Land Use Decree.... Ostensibly the rationale for this decree was to facilitate development by removing the constraints in the availability and more economic use of land. But its latent function, far more significant than its manifest functions, was to increase enormously the power resources and access to surplus of those who have executive control of the machinery of state.

The military further secured this centralizing trend by entrenching their undemocratic decrees into the Nigerian Constitution without popular consultation and consent (Ikein and Briggs-Anigboh 1998, 132, 300; Nwankwo 2002, 23). The 1979, 1989, and 1999 Constitutions are de-facto military constitutions, imposed on the good people of Nigeria. They were not only drafted under military dictatorships but were technically drawn by the military without following the due processes of the law. Instead of constituting constitutional conferences that encompass the diverse ethnic groups and interest within the Nigerian federation to debate, negotiate and find solutions to the different issues plaguing the country the military hand-picked ad-hoc consultative assemblies, committees and constitutional conferences such as the 1975-76 Constitution Drafting Committee (CDC), the 1986 Political Bureau, the 1994-95 Ad-hoc Constitutional Conference and the 1998-99 Constitutional Debate Coordinating Committee (CDCC). These non-elected bodies were created, appointed and directed by the military to deliberate, make recommendations and draw draft constitutions which were subject to the amendment and approval of the military government. The federal military government as the supreme constitution making authority created the final draft of these constitutions and adopted and promulgated them into law without the approval of the electorate through a referendum or the like. Hence, the provisions of these constitutions are not just flawed, but inadequate; they are neither federal nor democratic in nature due to the military's influence. They delineate power unequally among the three tiers of government by allocating greater powers and resources to the federal government at the expense of the states and local governments. Also, they failed to accommodate minority rights and above all they do not reflect the wishes, aspirations and choice of the masses but are

actually influenced and used to serve the military's hidden agenda and schemes aimed at making it appear democratic (CDD 1999, 26-27; Ejobowah 2001, 143, 150; Gboyega 1979, 239, 243; Ikein and Briggs-Anigboh 1998, 62; Leith 2001, 39; Nwabueze 1992, 343-349).

Thus, it is not surprising that Nigerian civilian administrations have sustained the powerful centre and weak component units created by the military. The present administration has continued to centralize power, resources and revenues in the central government.

- The Corrupt Nature of the Nigerian State.

The corrupt nature of the Nigerian state is not just a moral or ethical issue but mostly a historic and economic one. The neo-colonial, dependent and capitalist nature of the Nigerian state promotes corruption. The mode of capitalist production and its social relations encourages and thrives on corruption, since capitalists want to maximise profit and accumulate capital at all costs and by all means, including corruption (Akani 2002, 1, 36-38, 50; Nwankwo 2002, 9-10; Toyo 2002, 71, 75; Williams 1970, 233; 1976, 53). As Akani (2002, 37) asserts, "[c]orruption accelerates the engine of capitalist mode of production because of the economic and political benefits. In other words, the more capitalism expands, the more corruption expands, and the more it becomes sophisticated depending on the level of socio-economic development."

Corruption, as Turner (1978, 168) notes, has become "an important means of securing competitive advantage in today's global marketplace." Hence, it is not surprising that the growing significance of oil enhanced corruption in Nigeria. The

Nigerian state and MNOCs operating in Nigeria engage in messy operations and corrupt activities. MNOCs seek and compete for access to Nigerian oil and gas through all sorts of available means including offering incentives, commissions and kickbacks. They try to make contacts with influential state officials and decision-makers who control the oil industry through connected local middlemen who serve as intermediaries between the state and foreign capital. In the process, they form and operate business alliances, which Teresa Turner refers to as the 'commercial triangle' made up of MNOCs, middlemen and state officials (Turner 1976, 64-66; 1978, 169-171; 1985, 11, 21-28). They collaborate to make profitable deals to their mutual advantage. The local businessmen who serve as middlemen receive payment and gratuity for their successful intermediary role, while the state officials who award the contracts receive kickbacks for their services. Over the years, the Nigerian state authorizes and allocates oil licences and blocs, and awards term contracts and crude oil lifting contracts and so on, based on favouritism and greed instead of objectivity and open competition (Frynas 2000a, 39-41; Turner 1976, 63-64, 67-68; 1980, 204-205; Turner and Badru 1985, 11- 13).

As a result, the Nigerian oil and gas sector has the highest rate of corruption in the country. A recent audit of the sector initiated by the Nigerian Extractive Industry Transparency Initiative (NEITI) exposed a 168 billion naira (1.264 billion USD) discrepancy in oil receipts between 1999 and 2004 (Adelaja 2006). The oil and gas industry is plagued with several negative vices such as solicitation and acceptance of bribes, illegal hoarding, smuggling and bunkering of petroleum, fraudulent procurement and distribution of oil and gas, mismanagement, misappropriation of funds, lack of corporate social responsibility, accountability and transparency, particularly inaccurate

documentation. Oil revenues and accounts are usually not properly kept and accounted for. While the volume of oil produced and exported and the revenues derived are deflated, the imports, contracts, expenses and invoices are often inflated. Foreign exchange generated from oil is diverted and stashed in private foreign bank accounts for private use (Akani 2002, 2-3, 40-41; Nwankwo 2002, 9, 12-14, 20, 23; Okonta and Douglas 2001, 53, 56-57; Turner 1976; 73-74, 76- 77; 1985, 21-24, 37).

Corruption was also advanced during the long years of military rule which not only centralized revenues but applauded blatant squandering and looting of public funds (Nwankwo 2002, 21, 23). The prevailing social trend in Nigeria is that public and private offices are instruments and opportunities to amass influence and affluence. Corruption, nepotism, ineptitude and the like permeate all strata of the Nigerian society. It is so endemic and recurrent to the point where Nigeria has always ranked amongst the most corrupt countries in the world in the past few decades. Public and private officials including the Nigerian state and MNOCs alter due official procedures and use their office, connections and influence for their own private benefit. They engage in diverse fraudulent activities such as embezzlement and diversion of funds, falsification and inflation of figures, shoddy contracts and projects amongst others (Akani 2002, ix, 1-4, 36, 40-45, 49-50; Anam-Ndu 2002, 53; Frynas 2000a, 39-41; Nnadozie 1995, 3; Nwankwo 2002, 15-16, 22; O. Ojo 2002, 6; G. Ojo 2003, 33; Okereke 2004, 24-25, 27-28, 140-142; Okonta and Douglas 2001, 53-57; Osaghae 1998a, 154, 169; 1999, 89; Toyo 2002, 63; Turner and Badru 1985, 11, 19; Ukiwo 1999, 60-61).

The Nigerian state aids the consolidation of corruption by establishing patronage, clientelist and reciprocal relationships. Since the state controls access and opportunities

state institutions and policies are used as avenues to reward supporters and loyalists with lucrative jobs, appointments, contracts, amenities, wealth and other political and economic opportunities based on the spoils system, while excluding and repressing others. Successive Nigerian governments have been more concerned with the private accumulation of the country's public oil wealth than in addressing the political and socio-economic development of the country (Akani 2002, viii, 1-4, 30, 43, 49-50; Anam-Ndu 2002, 57-60; Nwankwo 2002, 9-12, 18-19, 21-23; Obi 2002, 279; 2004, 18-19; O. Ojo 2002, 231; Okereke 2004, 24-25, 140-142; Turner 1985, 21-24; Williams 1970, 233, 241). Therefore, the Nigerian state has not been able to effectively implement any of the anti-corruption legislation and measures it has put in place over the years given that it benefits from corruption (Akani 2002, ix, 4, 30; Frynas 2000a, 40-41; Williams 1976, 53).

- The Ethnic Nature of the Nigerian State.

Colonialism gave birth to strong ethnic identification and ethnic loyalty in Nigeria. It not only brought diverse ethnic groups together but also heightened their differences. In order to achieve its economic objective, the British colonial government gave power, status and privileges to a few through its policies of 'indirect rule' and pitched ethnic groups against each other through its policy of 'divide and rule'. It also promoted uneven development by concentrating developmental projects and the provision of services in the urban centres. These policies encouraged inter and intra ethnic and regional differences and therefore generated ethnic sentiments, tension and strife among Nigerians which exist to

this day (P. Badru 1998, 69-72; Darah 2001, 23-24; Obi 2000a, 79- 80; Okereke 2004, 19-21, 136-137).

The colonial government established constitutional arrangements that favoured the majority and discriminated against the minority ethnic groups. It gave the majority groups access to power and resources, by creating only three regions around the three largest ethnic groups, without guaranteeing the rights of the numerous minorities within these regions. So during colonial rule and by extension at independence, the major ethnic groups naturally dominated and controlled political and economic power to the neglect and detriment of the minorities. Even when several minority groups expressed fears of majority domination the colonial government did nothing to allay those fears and the concentration of power in the three largest ethnic groups in Nigeria was perpetuated (Ejobowah 2001, 2-3, 9; Frynas 2000a, 42; Peters 1997, 50-52; Saro-Wiwa 1992, 20, 25). Moreover, British colonialism played a vital role in instituting the hegemony of the north in the Nigerian political economy, especially since the north, unlike the south, was the favoured child of the British as it did not resist British autocracy, taxation and indirect rule amongst other ills of the British colonial government. The then regions were not divided equally. The northern region was bigger in size and population and had more seats in the national parliament. This paved the way for it to dominate politically and otherwise. As a result, the north has ruled Nigeria for 88 percent of the period since independence in 1960 while the south has ruled for only 12 percent (Azaiki 2003, 105; Ejobowah 2000a, 29-31; Frynas 2000a, 42; Ikein and Briggs-Anigboh 1998, 69; Osaghae 1998a, 36; 1999, 89; Peters 1997, 52). Thus, Obi (2000b, 283) notes:

> The centralized nature of colonial patrimonialism gave factions of certain numerically superior ethnic groups a head start in the sharing of spoils within

> the colonial state. This in turn gave them effective control over cash-crop based accumulation and a role in exercising power at the regional level. The consequence of this was that the dominant factions found in ethnicity a ready tool for access to resources and power. In the equation of colonial patrimonialism, the ethnic minorities often lost out.

Furthermore, the exploitative and fragmentary policies and structures of colonial rule were maintained even after independence. Power, resources and opportunities continued to be distributed unequally. The creation of states and local governments, employments into the civil service, political appointments, elections and the distribution of resources, revenue and amenities became based on the politics of numbers (demography), favouritism and ethnicity. The minorities continued to be alienated from the political system. A form of internal colonialism emerged through political and economic domination and the exploitation of weak minority groups by powerful dominant groups (Ukiwo 1999, 36-38). And as Bienen (1988, 233) rightly notes, "political power and economic strategies continued to be defined in regional and ethnic... terms." The Nigerian state continued to be distant, urban-centred and exploitative. It manipulated ethnic differences and inequalities in the struggle and competition for control of power and resources in Nigeria and in the process it fostered ethnic polarization, intolerance and rivalry for its own benefit (Osaghae 2001, 4; Udogu 1999, 7).

- <u>The Crisis-Ridden Nature of the Nigerian State.</u>

Over the years the Nigerian state has been conflict-ridden and plagued by a great deal of instability due to its dependent, rentier, centralized and ethnic character. The state's exclusive reliance on revenues from the oil sector, which it has little control over, is a constant source of crisis within the Nigerian state and society. The Nigerian state is

vulnerable to external and internal factors that could hinder capital accumulation, stop the flow of rents, reduce the state's revenue and by extension affect the state's capacity to carry out its functions and national development plans. Inadequate revenue would mean a cut in the provision of goods and services which might give rise to socio-economic and political crisis and instability, as was the case in the late 1970s and early 1980s during the world oil recession (Ekekwe 1985, 54-55; Graf 1988, 220; Osaghae 1998a, 28; Ukiwo 1999, 40-41).

Also, the Nigerian state's exclusive control, appropriation and distribution of substantial oil revenues raised the value of political power and public offices. As Pearson (1970, 137) rightly asserts, "[p]olitically, feelings about petroleum ran high. Interest in controlling oil grew." The Nigerian state became the focus and site for constant inter and intra class struggles to control state power, resources and revenues. Those in control of state power struggle to consolidate and protect it by all means, including through the use of the state's coercive apparatus, while those without state power intensely seek to hold influential positions within the state or have contacts with state officials so that they can influence policy-making or operate alliances between the state and foreign capital, amongst other things. This leads to intense struggle for access to the spoils of public office and for a share of the national wealth which Nigerians have come to know as the 'national cake.' Everyone struggles for a piece of it, leading to chaos, tension, and instability in the Nigerian state, which has in turn resulted in frequent changes in government (12 administrations including an interim national government since 1960) and the proliferation of 'commercial triangles' etc. (Anam-Ndu 2002, 54; Collins, Turner, and Williams 1976, 186-187, 191-192; Graf 1988, 225; Ihonvbere 1983, 45-49;

Ihonvbere and Shaw 1988, 40; Nore and Turner 1980, 1-2; Obi 2000a, 78-79, 86; 2000b, 284-285; 2001b, 193; 2002, 264-265; 2004, 2-3, 18; Okereke 2004, 143; Turner 1976, 64, 66-70; 1978, 166-167, 172, 176; 1985, 11, 36-37; Turner and Badru 1985, 5, 11-12; Ukeje et al. 2002, 1-2; Ukiwo 1999, 41; Williams 1976, 42-43).

Furthermore, strong ethnic jealousy between Nigeria's diverse ethnic groups results in conflicts (Bienen 1988, 232-233; Darah 2001, 23-24). Strong ethnic identity and loyalty has permeated every facet of Nigerian social, political and economic life. Most Nigerians, including the elites, have primordial sentiments and are loyal to their ethnic nations first before the country. Ethnic differences are amplified and ethnic alliances are formed in the bid to win elections or pressure and lobby the government for power, resources and opportunities. Consequently, the Nigerian state is confronted with conflicting ethnic demands for a fair or large share of the country's oil wealth. As Udogu (1999, 5) asserts, "[t]he strains and stresses that are brought to bear on the state by ethnic demands in the competition for power, economic advantage, prestige, and resources tends to weaken the political structure of the nation-state." It has given birth to crisis and instability which might eventually lead to the collapse of the Nigerian state if adequate measures are not taken (Obi 2000a, 79; 2000b, 284; Okereke 2004, 138-139, 143; Udogu 1999, 5-9).

From the foregoing it is clear that oil is the hub and lifeline of the Nigerian political economy. The colonial and neo-colonial legacy of Nigeria along with the growing significance of oil has in no small way determined the dependent, rentier, limited autonomous, centralized, corrupt, ethnic and crisis-ridden nature of the Nigerian state, which predisposes it to act in favour of foreign capital. This will aid our

understanding of the significant role of the Niger Delta region and the insignificant place of its people in the Nigerian political economy. It will also bring to light how and why the Nigerian state responds indifferently to the Niger Delta question that has arisen as a result. As a first step, the next chapter examines the significance of the Niger Delta region and the condition of its inhabitants before and after the discovery of oil.

Chapter Two

The Niger Delta and the Oil Paradox

This chapter looks at the impact of oil and gas exploration and production on life in the Niger Delta while emphasizing the paradox of oil. It defines the Niger Delta, its location, environment, inhabitants and significance to the Nigerian and global economy. It also highlights the environmental and socio-economic conditions of the pre and post oil Niger Delta.

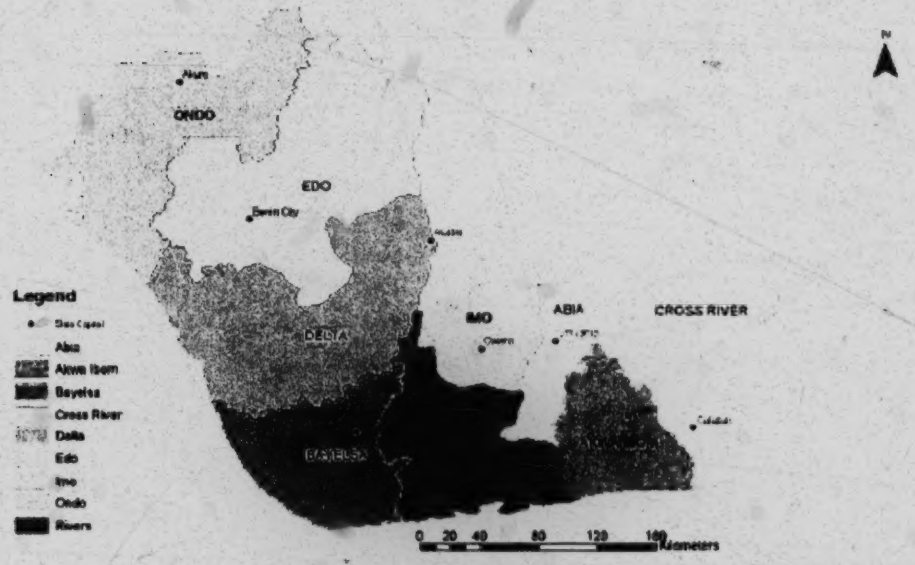
- **The Human Geography of the Niger Delta**

Over the years Nigerian politics has influenced the definition of the Niger Delta. Several debates about the definition of the Niger Delta have led to two main conceptions of the Niger Delta viz. the geographical Niger Delta and the political Niger Delta. Politically, the Niger Delta is now defined as the oil-producing states of Nigeria. The Nigerian government through the Niger Delta Development Commission Act of 1999 described the Niger Delta as the nine oil producing coastal states of Abia, Akwa Ibom, Bayelsa, Cross-Rivers, Delta, Edo, Imo, Ondo and Rivers (see Map 2) (Azaiki 2003, 47-49; Bell-Gam 2002, 24; Naanen 2001, 217; O. Ojo 2002, 10).

Geographically, the Niger Delta spreads out from about 5 degrees north of the equator beyond the continental shelf of the Gulf of Guinea and extends to the Atlantic Ocean. Its apex and northern boundary is south of Onitsha at Agbor where the River Niger splits into the Forcados and Nun Rivers. It is bounded by the Benin River in the west, the Imo River in the east, the Sombreiro River in the northeast and the Akassa and Nun Rivers in the south. The Niger Delta is located in southern Nigeria and is surrounded

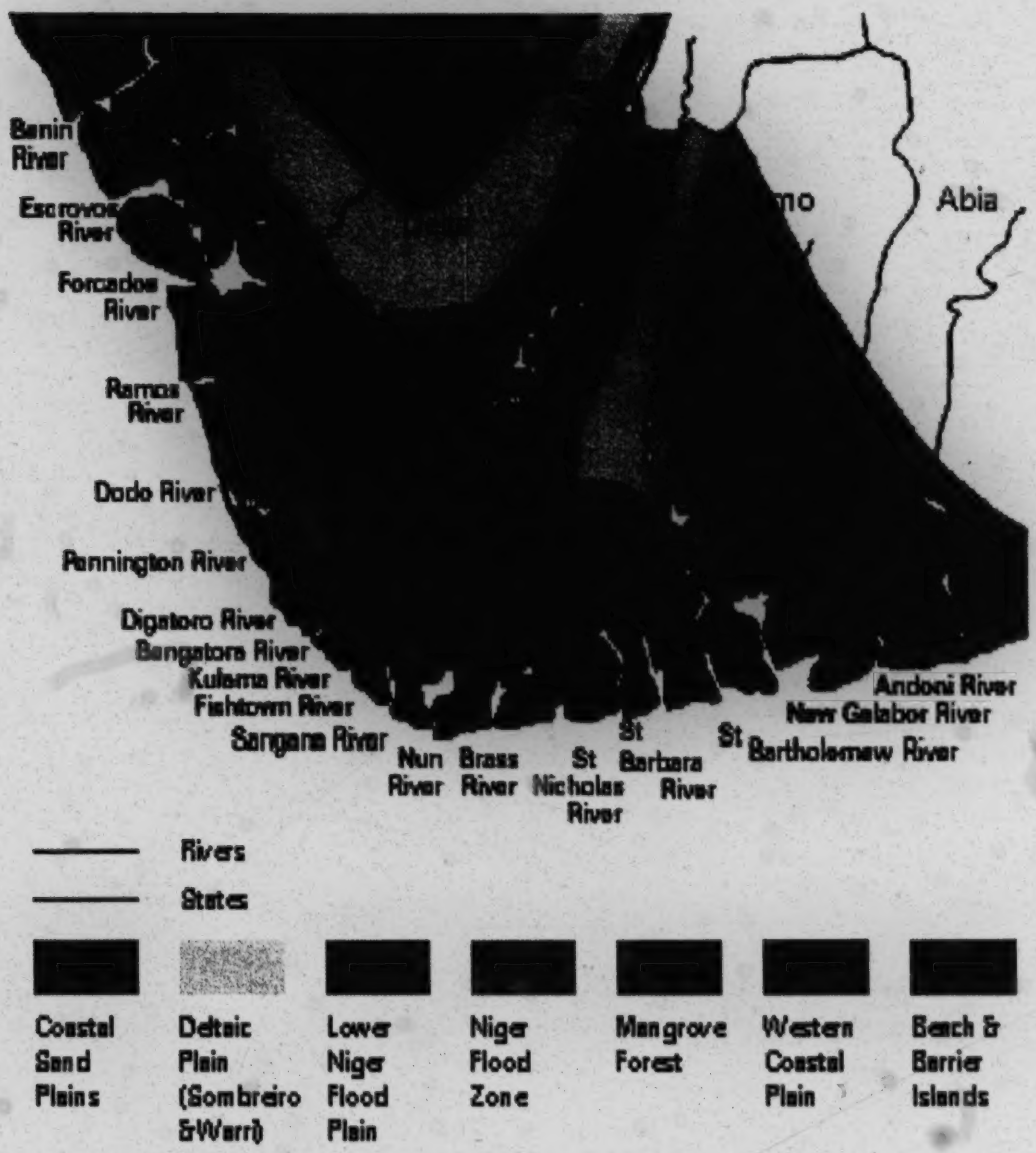
by the Bight of Benin and the Bight of Biafra in the West and East respectively. It is fed by water from the Niger and Benue Rivers and their tributaries, which empty into the Delta leaving a substantial amount of sedimentary deposits (Ashton-Jones 1998, 51-52, 131; Azaiki 2003, 40-42; Fubara 2002, 19; Isoun 2001, 7; Okereke 2004, 52; World Bank 1995, 1; Thomas 2001, 10; Udo 2002, 11). The Niger Delta is a vast area encompassing about 240,000 km². Its onshore and superficial offshore areas cover about 75,000 km² each, and it extends about 90,000 km² towards the outer edge of the continental shelf in the Guinea Abyssal Plain (Ashton-Jones 1998, 131). The Delta is contained largely by the present day Bayelsa, Delta and Rivers states. They make up about 80 percent of the Delta and are referred to as the core Niger Delta states (see Map 3) (Alagoa 2004, 2; Azaiki 2003, 48-49; Okonta and Douglas 2001, 18; World Bank 1995, vi, 1). The remaining 20 percent is dispersed in Akwa Ibom state and parts of Cross Rivers and Edo states (see Azaiki 2003, 49-50, 53).

Map 2. The Political Niger Delta States



Source: Niger Delta Development Commission, Home Page
http://www.nddconline.org

Map 3. Niger Delta: Rivers, States, Vegetation



Source: Urhobo Historical Society, Maps of the Niger Delta Webpage.
http://www.waado.org/NigerDelta/Maps/NigerDelta_Rivers.html

The Niger Delta is Africa's largest wetland and one of the world's largest deltas. The vast area is intricately divided into parcels of dry and wet lands by innumerable water channels that make up about 75 percent of the Delta. As a result the Niger Delta has a difficult and fragile terrain. It is a tropical region with a relative humidity of about 80 percent all year round, an average temperature varying between 23 and 28 degrees Celsius and a high rainfall ranging from about 2000mm to 4500mm from February through November. The Delta's low flat land, high rainfall, river flooding and poor drainage system leaves about 80 percent of the region with seasonal floods and erosion. The Niger Delta area consists of several mangrove, swamp and rain forests ecozones covering about 25, 640 km². It is made up of four distinct ecological zones: (1) the sandy coastal ridge barriers in front of the outer delta along the coast line, covering about 1,140 km²; (2) the fresh water permanent or seasonal swamp forests on both sides of the upper delta with clay reddish brown soil, oil and raffia palm trees covers about 11, 700 km² and is the largest fresh water swamp forest in Africa; (3) the low land rain forests on the coastal plains by the west and east of the freshwater swamps consist of mud and silt soils, oil and raffia palm trees, tall trees, scrubs and some barren areas covering about 7,400 km²; (4) the brackish or saline mangrove swamp forest, located south of the freshwater and coastal plains is made up of mud and black silt soil, as well as mangrove trees and bushes covering about 5, 400 km². It accounts for over 60 percent of Nigeria's mangrove forest, which is the largest in Africa and third largest in the world (Ashton-Jones 1998, 51-53, 104; Azaiki 2003, 18, 39-40, 50; Fubara 2002, 19-21; Nzewunwa 1980, 1; Okonta and Douglas 2001, 61-62; World Bank 1995, vi- vii, 1- 4, 24; Sorgwe 1997, 13-15).

Thus, the Niger Delta is a specific geographical territory with similar peculiar terrain. The political Niger Delta is a larger region, expanded to include 9 states in southern Nigeria that do not all share the geographical characteristics of the Niger Delta discussed above. The Niger Delta cannot just be defined politically based on geographical proximity or oil production; it is a natural formation. Thus, this thesis views the Niger Delta geographically. I shall use the Niger Delta in this thesis to refer to Bayelsa, Delta, Rivers and Akwa Ibom states and parts of Cross Rivers and Edo states, inhabited by an estimated 15 million people (Reed and Power 2004, 71) from several heterogeneous ethnic groups such as the Ijaw (Nembe, Kalabari, Okrika, Ibani etc.), Epie-Atissa, Engenni, Ogbia, Itsekiri, Isoko, Urhobo, Ikwerre, Ogoni, Obolo (Andoni), Efik, Ibibio, Oron, Ibeno, Ogba, Ekpeye, Abua, Odual and Egbema among many others (Sorgwe 1997, 9, 17).

- **The Significance of the Niger Delta**

The Niger Delta's complex ecosystem is a rich source of biodiversity. It is teeming with many unique flora and fauna including diverse plant, marine and animal species and is one of the world's richest ecosystems. It is blessed with enormous natural resources including large deposits of non-renewable resources such as oil and gas, as well as renewable resources such as water, fertile land and forests. Also, the Niger Delta's coastal waters especially its connection to the Atlantic Ocean is an immense asset that provides an aquatic gateway and highway that connects Nigeria to the five continents of the world (Ashton-Jones 1998, 103; Darah 2001, 19- 20; O. Ojo 2002, 10, Okonta and Douglas 2001, 18-19, 62-63, 69; World Bank 1995, v, 38; Udo 2002, 12).

Historically the Niger Delta has always played a significant role throughout Nigeria's history. It has always been the centre of international trade and commerce from the transatlantic slave trade through the palm oil trade to the present production of oil and gas. Since the Niger Deltans live by the coast bordering the Atlantic Ocean they were the first to make contact with European traders and missionaries in the 14th and 15th centuries. They provided large ports and trade marts along the coast and served as the link and middlemen between European traders and the Nigerian hinterlands (Alagoa 2004, 2, 8-9; Briggs 2002, 35-36; Darah 2001, 20-23; Ozo-Eson and Ukiwo 2001, 2; Udo 2002, 11).

With the discovery, production and export of oil and gas, the Niger Delta has remained the source of wealth for the country. Most of Nigeria's oil and gas deposits lie in the land and waters of the Niger Delta, which as Reijers, Petters, and Nwajide (1997, 151) note, "ranks among the world's most prolific petroleum-producing Tertiary deltas." The Niger Delta produces most of Nigeria's oil and gas and hence earned the title 'the goose that lays the golden egg' (Aminu 1991, 8; Darah 2001, 19-20; Frynas 2000a, 15, 22; Fubara 2002, 20; Ikein 1990, 1-2). It contains about 606 oil fields, 355 onshore and 251 offshore (NNPC 2005b). It produces about 2 million barrels of oil daily and accounts for about 95 percent of Nigeria's total oil and gas production and export earnings, as well as about 80 percent of total government revenue (O. Ojo 2002, 10; Okonta and Douglas 2001, 18; Sagay 2001, 1). It has generated over 300 billion USD for the Nigerian state in the last 4 decades (Quarto 2000, 7). This revenue is crucial to financing Nigeria's economic growth.

Presently, the oil sector is the largest and most vital industry in the Niger Delta. It has also attracted other sub-sectors and developed a growing industrial base. The Niger Delta houses vital establishments such as numerous oil companies, two petrochemical plants, three petroleum refineries, a Liquefied Natural Gas project, a fertilizer plant, a steel complex, major power stations, timber and plywood mills, textiles, glass, rubber and plastics industries, food processing, metallurgical, pharmaceutical and chemical companies, paint and cement plants, banks and other private sector activities. It also provides seaports at Port Harcourt, Onne, Warri, Sapele, and Burutu among others (Darah 2001, 20; Fubara 2002, 20; World Bank 1995, 5).

Thus, the Niger Delta is of immense strategic significance to Nigeria in particular and the world in general. It is the heartbeat of the Nigerian economy which depends overwhelmingly on the oil wealth derived from the Niger Delta.

- **The Pre – Oil Niger Delta**

Prior to the discovery of oil, the Niger Delta's environment greatly supported human, plant, marine and wild life. The environment determined the way of life of the Niger Delta's inhabitants, who have since time immemorial depended on their land, sea and natural resources for their livelihood, spiritual well-being and sustenance. As Ashton-Jones (1998, 143) puts it, "over the past 5000 years (the Niger Delta's ecosystem) have attracted and influenced the development of a human society and an associated culture." As a result all socio-cultural, economic and traditional religious activities in the Niger Delta are connected to the environment.

The Delta's fertile agricultural land, forests and rivers that teemed with a very wide variety of plant, fish, bird and animal species shaped the economic activities in the region. The Delta's inhabitants engaged mostly in subsistence agriculture for their livelihood. Their primary occupations were farming and fishing. The inhabitants of the lowland rainforest and the freshwater forest ecozones engaged more in farming, while the inhabitants of the sandy barrier islands and mangrove ecozones engaged more in fishing. The Niger Delta people grew economic trees and food crops such as oil palm, cocoa, rubber, cassava, yam, sugar cane and citrus. They reared livestock such as goats, chickens and pigs. They fished for species such as sharks, tilapia, tuna, crabs, lobsters and shrimps. They also engaged in hunting, marketing and other secondary occupations in the local cottage industries such as gin distillation, textile weaving, wood carving and pottery (Azaiki 2003, 57-67; Okereke 2004, 53-54; Otuene 1989, 12-14; Sagay 2001, 1; Sorgwe 1997, 16-17; World Bank 1995, 1, 5).

The Niger Delta's socio-cultural, spiritual and traditional belief systems recognized and revered the environment as the basis of life, sustenance and survival. The environment was esteemed as being sacred. The people had a spiritual attachment to their land and rivers which they consider as precious possessions and inheritance to be held in custody for the next generation. Their traditional religious activities worshipped the land, rivers, trees, animals and other objects from their environment. As a result they were good custodians who fulfilled their responsibility to protect the environment religiously since their lives and very existence depends on it. They devised relevant customs, skill and techniques for the sustainable development of their environment and resources such as shifting cultivation and other traditional land and water use patterns (Alagoa 2004, 1,

18,130; Douglas 1998, 41-44; Greenpeace International 1994, 5; Mitee 1999a, 4-6; Otuene 1989, chap. 2 & 3; Saro-Wiwa 1992, 12-13). Hence Thomas (2001, 14) asserts, they "have lived in ecological balance with their environment."

The Niger Delta's swampy environment also posed a great challenge to its inhabitants. Its complex terrain made it inaccessible and inhospitable. The Delta's extensive waterways and forests form natural barriers that limited the availability of dry habitable land and isolated the Niger Delta communities from each other and from the hinterland. Most settlements in the sandy beach ridges, freshwater and mangrove forests ecozones are islands intersected by rivers and swamp forests. The Delta's landscape affected its settlement patterns and population densities since habitation is restricted to the small elevated areas of available dry land (Ashton-Jones 1998, 104; Azaiki 2003, 54; Darah 2001, 20-22; Hutchful 1985, 113, 115; World Bank 1995, 2; Sorgwe 1997, 15-17; Thomas 2001, 10- 11).

Thus, the industrious people of the Niger Delta were able to conquer their intricate environment and make a living out of it. The pre oil Niger Delta was a seventh heaven. The people were happy and lived in peace and abundance. They had enough food to eat and to spare. They did not only care for the needy around them with their abundance but they also cared for the numerous flora and fauna in their environment. I remember stories my late grandfather, Mr. Macauley O. Free used to tell of the great fish catch in the good old days. Not only were all who came to the riverside allowed to take as much fish and seafood as they needed, but also the miniature fish and seafood they caught were returned to their natural habitats to continue to grow. They were proud to be fishermen and looked forward to passing on their fishing equipments as an inheritance to

the next generation, because to them it stood for wealth. Hence, a popular saying in the Niger Delta is "teach a man how to fish/farm and you feed him for life." The question is: how true is this scenario in the Niger Delta today? The Niger Delta's blissful pre-oil experience came to an abrupt end with the discovery and subsequent production of oil in the Niger Delta.

- **The Post – Oil Niger Delta**

With the production of oil came the devastation of the Niger Delta's intricate and fragile environment. The strong presence of the oil industry in the Niger Delta is very visible since their extensive activities are carried out everywhere both onshore and offshore. Oil installations are located in or near residential and commercial areas. It is a common sight to see networks of oil pipelines criss-crossing living quarters, farming, fishing and hunting grounds. The adverse effect of oil industry operations, from exploration through production to marketing, on the Niger Delta's environment is well known and cannot be over-emphasized. It has resulted in enormous ecological degradation that threatens not just the Niger Delta's rich ecosystem, but also has an immediate impact on the inhabitants of the Niger Delta due to its attendant socio-economic dislocations. Hence, Owugah (1999, 5) asserts:

> …rather than the initial hope which the discovery of oil brought for people of the Niger Delta, the people have been subjected, in their forty years of hosting the oil transnational, to intimidation, perpetual poverty and life threatening pollution and degradation of their environment. Consequently, farming, fishing and hunting their primary means of livelihood have become unrewarding.

Oil industry activities infringe on the Niger Delta's limited available dry land. The presence of the oil industry which requires large tracts of land has led to land scarcity and

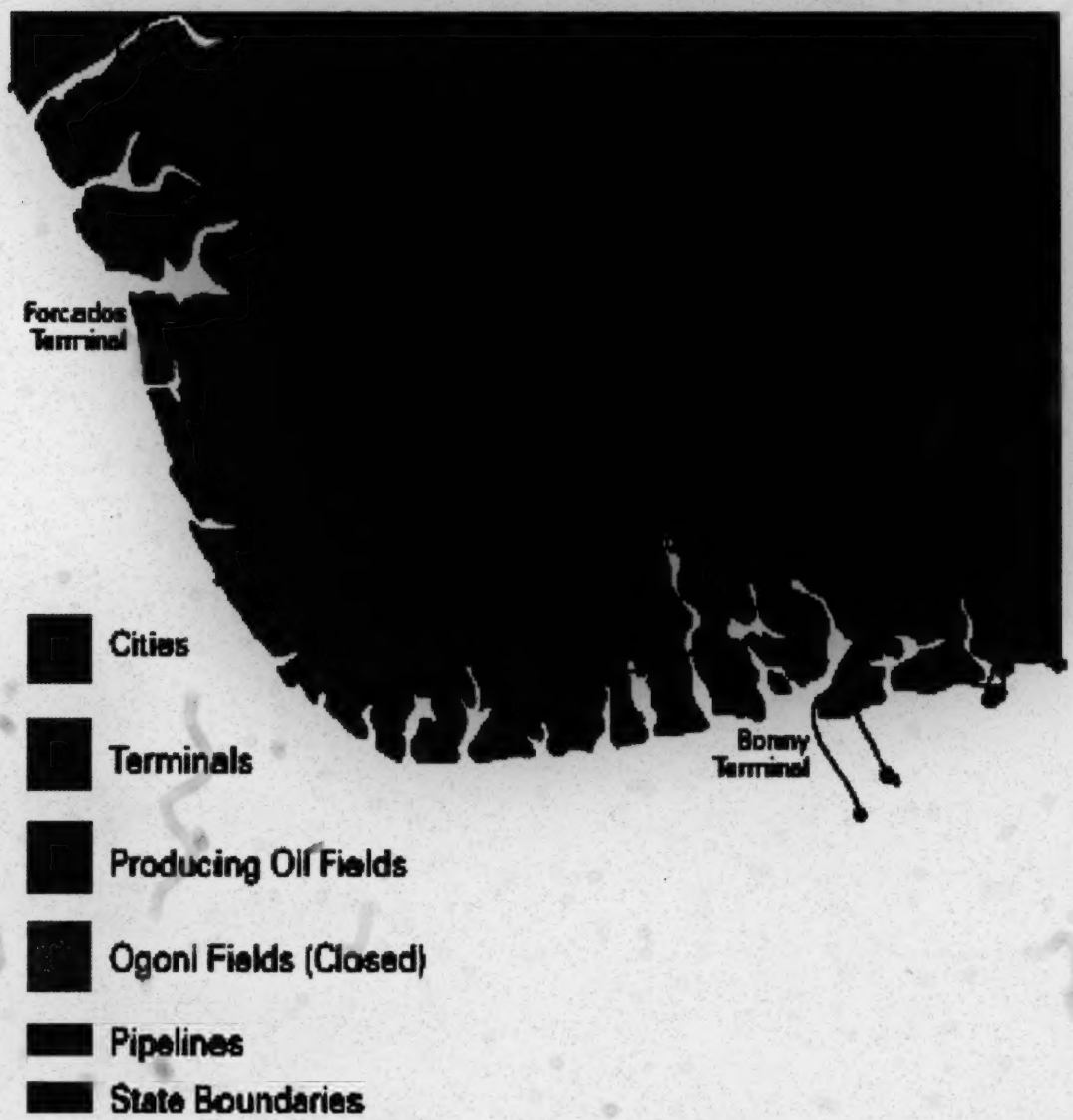
high population densities in the Niger Delta. Virtually all the Niger Delta's onshore and offshore areas are covered by the oil exploration and mining leases of about 65 oil companies (see Map 4 for oil infrastructures in the core Delta). Shell alone holds and operates concessions covering over 31, 000 km² (see Map 5). The appropriation of community land for oil industry installations such as oil fields, pipelines, flow stations and terminals takes up much of the limited habitable land of the Niger Delta people and leaves the Delta densely populated. As a result the Niger Delta has the highest population density in Nigeria (Ashton-Jones 1998, 104, 143, 146; Egborge 2000, 94; Hutchful 1985, 113, 115; Ikein 1990, 39; Okonta and Douglas 2001, 19, 49; Sagay 2001, 2, 3). The Niger Delta people are either evacuated and relocated due to oil industry operations as in the case of the Finima community in Rivers State or forced to cope with very high population densities on the remaining habitable land as in the case of the Ogonis of Rivers State. As Ken Saro-Wiwa (1994, 30) notes:

> Ogoniland is seriously short of land. Whereas UN agencies estimate that each person requires 4 acres of land for survival, the Ogoni only have 0.5 acres per person. Less land taken for industries, access roads to the oilfields and pipelines with right of way, the Ogoni now have less than 0.3 acres per person. This is a catastrophic situation. The Ogoni people have nowhere else to go. They cannot relocate because ethnic boundaries in Ogoni are very clearly defined.

Land is indispensable to both the activities of oil companies and their host communities. They both depend on land which unfortunately is in short supply. Hence, land is not just precious but it is highly contested and disputed in the Niger Delta. The competition for land between the Niger Delta communities and oil companies has been 'mediated' by the Nigerian state who through the Land Use Act authorized oil companies to forcefully acquire and enter any piece of land in the Delta without appropriate compensation,

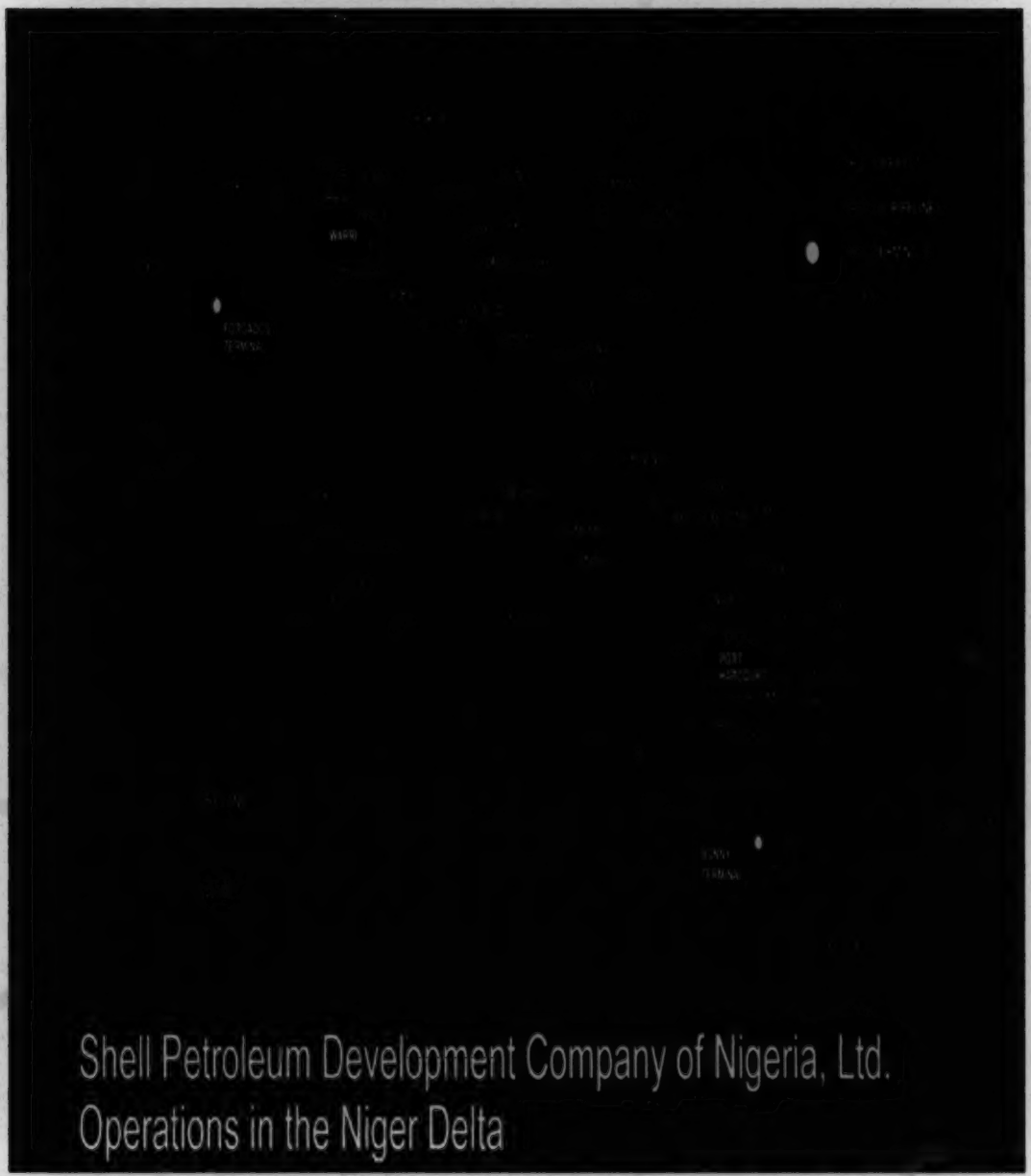
leaving the Niger Delta people with no choice but to give up their land without compensation (Frynas 2000b, 16, 21-22; Obi 2001a, 26-27; 2002, 276-277).

Map 4. A Map of Niger Delta Showing Oil Fields and Pipelines



Source: Urhobo Historical Society, Maps of the Niger Delta Webpage
http://www.waado.org/NigerDelta/Maps/Oilfields.html

Map 5. Shell's Operations in the Niger Delta



Source: Rigzone, Map and Image Library Webpage
http://www.rigzone.com/news/image_detail.asp?img_id=139

Besides, the construction of oil industry facilities has caused substantial physical changes and disruptions to the Niger Delta's ecosystem, especially due to the lack of pre-construction environmental impact assessments and proper design that considers the potential effects of these constructions on the people. For instance, the indiscriminate construction of access roads and canals obstructs the natural course of the Delta's extensive waterways and disrupts the aquatic ecosystems leading to permanent environmental impacts like: the fragmentation of forest and marine habitats, contamination of water supplies and alteration of the natural patterns of water flow leading to flooding and erosion which destroys several lives and properties. So far, the adverse effects of the construction of oil installations in the Niger Delta outweigh the economic benefits (Ashton-Jones 1998, 144, 150-151, 156; Bassey 2003, 48; Douglas 1999, 69-74, 78-79; Frynas 2000a 158, 160-162; 2000b, 8-9; 2003, 108; Human Rights Watch 1999b; Manby 1999, 286; Mitee 1999a, 9-10; O. Ojo 2002, 36; Okoji 2002, 202-203; Okonta and Douglas 2001, 222; Sagay 2001, 41; UNDP 2006, 180-181, 186; World Bank 1995, 34-35, 47, 79). Chief Ubighi Ologbo underlined this fact while speaking about the flooding of Weppa community in Edo State caused by obstructions to the flow of River Ogbudu due to construction inadequacies. He said:

> It was sudden …we heard the sound of the river. We heard a strange noise. Water was rushing from the river towards our buildings. …the whole place was filled with water. It was like an ocean throughout the night till the following day. We all ran for our dear lives. We have suffered. So many have been displaced from their homes. Some have left the village for neighbouring villages. … We have been like refugees. … We are now lifeless. … We saw our belongings and properties floating…. Our domestic animals … were also affected. They were all floating and dead. Even our hard-earned money was flushed away. We were left with nothing. There was no place to hide. Everywhere was deserted. Everything was affected. Not a pin was recovered. Most families were torn apart. ... The whole land was wet. There was an outbreak of diseases, people's bodies began to swell and they began to die like fowls. We were having nothing.

> Blood stopped flowing in our veins. There are some people whose stomachs have compressed to their backside. We have no hope for life anymore. Some people have lost their senses. We now live like the early man and wild animals. We are just watching. No hope and no means to carry on in life. ... We are seeking for help ... and nothing has been done (Sic) (ERA/ FoEN 2000, 29-30).

Also, seismic and drilling activities such as line cutting, the detonation of explosives, site preparation and dredging defaces the Delta, damages human, plant, marine and wild life habitats and affects soil structure and acidity amongst other things. The mangrove swamp forest is the greatest casualty of seismic surveys. It takes about 2 to 3 years for mangrove bushes to grow back and about 30 years for mangrove trees to recover from line cutting since they are very difficult and slow to regenerate (Ashton-Jones 1998, 154-155; Bassey 2003, 49; Douglas 1999, 77-78, 83-84; FMHE 1980, 6, 91; Frynas 2000a 158-162; 2000b, 4-8; 2003, 110, 107; Furro 1995, 95; Human Rights Watch 1999b; Okonta and Douglas 2001, 221; Olojede et al. 2000, 25; Omene 2002; World Bank 1995, 35). Mr Endurance Ayi speaking about the effect of seismic activities in Umoghu–Nokhua community and the haphazard compensation process notes:

> They made paths into the bush, farms and rubber plantations. They cut down everything on these paths such as yams, cassava, rubber, corn, etc. We went to them and asked them why they were destroying our crops and bush. They however, promised to pay us for the destruction. After making vast paths through the forests and farms, they started shooting their guns. Anytime they shot the guns, everywhere would shake and we were always disturbed. Our wells and some houses were collapsing and they are still being destroyed till now. ... We learnt that the company was paying in the neighbouring settlements. We demanded for our pay. Can you imagine they paid N5 for what they called immature crop and N10 for a mature crop? Whether rubber, yam, cassava, corn etc. Though we were not happy about this, however they were not ready to pay for what they had destroyed. ... They were making empty promises. ... On 12, May 1998, we the Student Youths gathered and went to them to pay us and they refused. We sat in their premises and asked for a meeting. Some of them went ... to bring mobile policemen. They tortured and injured us. We were helpless. They used tear gas on us, everybody in the town was running. They scattered everywhere. They also brought one Shell chief to talk to us but nothing was done. In short (the company) is devilish. We are students. We farm to train

> ourselves. They have come to destroy these farms without paying us. How do we go to school? How do we pay our fees? This is our problem now? Our roads, markets and town hall are all bad. They did not repair any of them. They are spoiling our land (Sic) (ERA/FoEN 2000, 49-50).

In addition, the emission of dangerous gases into the Niger Delta's atmosphere via the burning of hydrocarbons and refining of petrochemicals results in air, water, soil and noise pollution. About 75 percent of the natural gases generated from oil exploration and production in the Niger Delta is flared (Ashton-Jones 1998, 158). Oil companies operating in the Niger Delta find it cheaper to flare gas than to re-inject or produce it due to the limited demand and market for gas in Nigeria. Gas flaring which occurs in or near habitable areas daily emits large quantities of smoke, suspended particles and poisonous gases into the Niger Delta's atmosphere. About 617 billion cubic feet of associated gas is flared yearly in Nigeria, releasing about 35 million tons of carbon dioxide and 12 million tons of methane into the Delta's environment. As a result Nigeria makes a very significant contribution to climate change and global warming by flaring green house gases (Ake 1996, 34; World Bank 1995, 58). Gas flaring reduces the Delta's ambient air quality, causes acidification of soil and water, ozone layer depletion and corrosion of metal roofing sheets and cars. It produces intense intolerable heat and flame which lights up the night sky of the Niger Delta communities in the immediate vicinity of the flares and causes atmospheric modifications and climatic variations which increase air, soil and leaf temperatures, destroy forest and vegetation, diminish plant and fish growth and repel wild and marine life. The night-glare from the glow of gas flares has been known to reduce the population of fish and crayfish which prefers to breed in darkness. Also, the continuous vibration from turbines and machines used in oil industry operations results in severe noise pollution. The constant and high level of noise emanating from oil industry

activities is disturbing, annoying and injurious to the Niger Delta's inhabitants living close to oil installations and gas flaring sites (Ashton-Jones 1998, 144, 156-159; Clark et al 2000, 5; Douglas 1999, 78-79, 84; Etu-Efeotor 1995, 67-69; FMHE 1980, 6, 91; Frynas 2000a 163-164; 2000b, 4-6, 10-11; Furro 1995, 95; Human Rights Watch 1999b; Nnadozie 1995, 93-94; Okereke 2004, 57- 58; Okoji 2002, 203; Omene 2002; Oshionebo 2002, 7, 73-77; Sagay 2001 7-8, 12, 14-15, 19; UNDP 2006, 185- 186; World Bank 1995, 47, 58-59). As Saro-Wiwa (1992, 81) notes, oil companies in Ogoniland have

> ...been burning methane and other hydrocarbons into the lungs of Ogoni villagers everyday of the year for twenty-one years. The noise of burning gas has made the people ... half-deaf – they have to shout when they speak to each other; burning gas continues to turn their nights into day. They have no electricity, no pipe-borne water and no hospital. Respiratory diseases are common in the area. ... Studies have indicated that the level of lead in the blood of the inhabitants is at a dangerously high level. ... The most notorious action of (MNOCs) has been the flaring of gas, sometimes in the middle of villages, as in Dere, (Bomu oilfield) or very close to human habitation as in the Yorla and Korokoro oilfields in Ogoni. This action has destroyed ALL wildlife, and plant life, poisoned the atmosphere and therefore the inhabitants in the surrounding areas and made the residents half-deaf and prone to respiratory diseases. Whenever it rains in Ogoni, all we have is acid rain which further poisons water courses, streams, creeks and agricultural land (Sic).

Furthermore, innumerable barrels of crude oil have been lost to the Niger Delta land and water through oil spillage. Oil spills are recurring events in the Niger Delta. On the average about 300 major incidences of oil spills occur annually in the core Niger Delta, discharging about 2,300 cubic metres of crude oil (World Bank 1995, 49). From 1976 to 2001 the Niger Delta experienced about 6, 817 separate oil spills that released about 3 million barrels of crude oil, over 70 percent of which were lost to the Delta's land and water (UNDP 2006, 181). Over 65 percent of the oil spillages in the Delta are caused by operational faults and accidents such as equipment failure, corrosion, rupture and blowouts (Nnadozie 1995, 92). Other sources include improperly designed and

abandoned wells and pits, as well as sabotage. Not only are most of the oil installations in the Niger Delta prone to leak since they are old and obsolete, but also oil companies operating in the Niger Delta still dump both treated and untreated hazardous industrial effluents such as drilling mud and chemicals into the Delta's land and rivers knowing fully well that the land and water are the people's source of sustenance. This contaminates both surface and ground water channels to the point where you can see oil waste on the surface of the water. Oil spills pollute the Delta's environment with hydrocarbons, thereby threatening its rich biodiversity. It increases the turbidity and acidity of the Delta's land and water. This affects the quality of soil used for farming and water used for fishing and household chores and results in low agricultural yield, outbreak of fire and diseases, widespread destruction and untimely death of humans, flora and fauna (Ashton-Jones 1998,151-153, 155-158, 160; Ayotamuno, Akor, and Igho 2002; Clark et al 2000, 6-8; Etu-Efeotor 1995, 64-67; Douglas 1999, 78-81, 88-90; FMHE 1980, 6-7,11, 30, 61-64, 77-80, 91; Frynas 2000a 158, 160-161, 165-169; 2000b, 1, 8, 10, 12, 14; 2003, 108; Furro 1995, 93-94; Human Rights Watch 1999b; Hutchful 1985, 116, 118, 124-135; Ikein 1990, 130-133; Iyalomhe 1998, 31-34, 41- 42; Manby 1999, 286-287; Mitee 1999a, 13-22; Okereke 2004, 58-61; Okoji 2002, 202-204; Okonta and Douglas 2001, 2-3, 64, 66-74, 76-77; Omene 2002; Ogri 2001, 17-18; Oshionebo 2002, 7, 78- 82, 84-85, 87, 90-91; Sagay 2001, 7-8, 10; UNDP 2006, 181-182, 187; World Bank 1995, 47-50). Mr Bako, commenting on an oil well blowout in Dere community, Rivers State, laments:

> ...an ocean of crude oil had emerged, moving swiftly like a great river in flood, successfully swallowing up anything that comes on its way. These include ...farms, palms, streams, animals etc for miles on end. There is no pipeborne water and yet the streams, the only source of drinking water is coated with oil.

> You cannot collect a bucket of rain water for the roofs, trees and grass are all covered with oil. Anything spread outside in the neighbourhood is soaked with oil as the wind carries the oil miles away from the scene of the incident. Nor can you enter a bush without being soaked to the skin. People are barred from entering the farmlands for fear that they would carry naked lights. But the explosion is now in flames. ...a worse fire is blazing not quite a quarter of a mile from the village. The force of the explosion intermittently shades the whole land and sets buildings rocking. The fear that the houses would collapse any moment would not let the people sleep. They just keep awake at nights expecting the worst at any moment .... We are thus faced with a situation where we have no food to eat, no water to drink, no homes to live and worst of it all, no air to breathe. We now live in what Hobbes may describe as a STATE OF NATURE – a state where peace or security does not exist '...and the life of man is solitary, poor, nasty, brutish and short' (Sic) (Saro-Wiwa 1992, 58-59).

The Dere Youths Association adds:

> The havoc done by the eruption is unprecedented. An area of about four square miles has been perpetually rendered inarable. The farmlands are flooded with crude oil.... Our rivers, rivulets and creeks are all covered with crude oil. This is unfavourable for breeding fish.... We no longer breathe the natural oxygen, rather we inhale lethal and ghastly gases. Our water can no longer be drunk unless one wants to test the effect of crude oil on the body. We no longer use vegetables, they are all polluted (Sic) (Saro-Wiwa 1992, 65).

Moreover, these environmental devastations have enormous indirect consequences that shatter the socio-economic condition of the Niger Delta people. Given the importance of the environment to the Niger Delta people the devastation of their environment by oil industry activities in turn destroys their way of life and well-being, and threatens their very survival. The environment sustains the people culturally, socially, spiritually, economically and otherwise. Accordingly, the degradation of their environment triggers their socio-cultural and economic displacement. It damages the subsistence agricultural economy leading to the loss of livelihood, unemployment, poverty and malnutrition. It also causes ill-health, inflation, urbanization, over-population, infrastructural dearth, socio-cultural desecration and social vices. Some of the socio-economic problems associated with the activities of the oil industry in the Niger Delta are discussed below.

Oil industry operations disrupt the people's traditional economic activity which is intricately linked to their environment. Fishing and farming, the main occupations and sources of livelihood of the Niger Delta's inhabitants, are becoming impossible and unprofitable since oil and gas exploration and production affects agricultural land availability and productivity. It does not only pollute the environment but leaves the Niger Delta communities with little or no land and water for habitation and economic activities. It has displaced several rural communities in the Niger Delta from their subsistence agricultural economy and livelihood. Many families have lost their farmlands, fishing and hunting grounds either to oil industry facilities or to oil pollution with little or no compensation. The existence of oil industry infrastructures not only takes away land but affects the communities' use of land. For instance, pipelines running across footpaths, habitations, farmlands and waterways disrupt not just transportation and communication but alter the traditional land use patterns and occupation of the Niger Delta's inhabitants who can no longer farm or fish successfully in the vicinity of gas flares, pipelines and other oil industry infrastructures. The Delta's flourishing environment is no longer economically useful. Oil exploration and production activities have degraded and rendered farmlands, forests, rivers and the entire ecosystem of the Niger Delta unproductive, resulting in poor agricultural yield and the depletion of wildlife. Consequently, the self-sustaining communities in the Niger Delta can no longer provide their basic needs of food, clothing and shelter. Diminishing food supplies have caused food shortages with their attendant hunger, starvation and malnutrition especially with the decline of fish and other sea foods their main source of protein (Bassey 2003, 48-49; Ejobowah 2000a, 39-40; Frynas 2000b, 23; Fubara 2002, 24; Ikein 1990, 79;

Nnadozie 1995, 76; O. Ojo 2002, 4; Okereke 2004, 59-61; Olojede et al. 2000, 35; Sagay 2001, 2, 8-9, 41; World Bank 1995, 70).

With the decline of the agricultural sector that provided employment for about 70 percent of the Niger Delta's inhabitants, many are left unemployed, leaving the Niger Delta with the highest rate of unemployment in Nigeria. The people have made futile attempts to shift from their traditional economy to blue and white collar jobs in the oil industry. They have not only lost their means of livelihood to the environmental devastation of the oil industry, but are also not employed in the oil companies due to nepotism, ethnicity, corruption and the like, disguised in claims of ineptitude. The oil companies are in the practice of employing workers from outside the Niger Delta region especially people from the major ethnic groups of Nigeria who wield influence in the Nigerian political economy. This is exacerbated by the fact that the headquarters and administrative bases of all the oil companies operating in the Niger Delta are located outside the region. So, since employment is done from outside the region it favours the outsiders. Hence, Saro-Wiwa (1994, 5) exclaims, "[m]ost of our children are out of school, those who have secured an education, do not find jobs. Those who have jobs do not find promotion as progress in Nigeria is not by merit but by preferment." He continued:

> Over seventy per cent of Ogoni youth are unemployed. Those in employment only find menial jobs. It is enough that even in the companies which abound in Ogoni such as the Nafcon, the two refineries, the petrochemical complex, even the Eleme people who have lost almost all of their land to the companies do not find employment at a level commensurate with the sacrifice they have made as hosts of the companies. The number of Ogoni people employed by NNPC and Shell is insignificant (Saro-Wiwa 1994, 26).

At most the host communities' only gain from short-term local employment during construction since local labour is only considered and contracted for seasonal construction jobs as Chief Onire Mabiri affirms: "[a]part from casual labourers ... (the company) did not employ our sons and daughters to work in their company" (ERA/FoEN 2000, 57). Also, environmental degradation destroys beaches, wildlife and other recreational and tourist attractions that could have been of immense economic benefit to the Niger Delta people. The plight of the Niger Delta people is twofold; they have not only lost their environment and livelihood to oil industry operations, but also are denied the oil windfall. They can neither have their subsistence agricultural sector nor be part of the new oil sector. This has resulted in poverty and social deprivation (Ashton-Jones 1998, 155; Ejobowah 2000a, 37; Frynas 2003, 110; Fubara 2002, 21; Ihonvbere 1983, 54; Ikein 1990, 72; Naanen 1995b, 20; Okereke 2004, 64-65; Okonta and Douglas 2001, 116; Sagay 2001, 43).

Poverty is widespread in the Niger Delta. As Ashton-Jones (1998, 168) puts it, "poverty is the prevailing social trend in the Niger Delta and a social indication that all is not well." One would expect the Niger Delta to be a paradise, given its strategic significance to not just Nigeria but the world. Alas despite the enormous wealth the Niger Delta generates for the Nigerian state and MNOCs it is ironically one of the poorest and least developed regions in Nigeria. The condition of the Niger Delta is a paradox; a paradox of boom with doom, wealth with poverty, as well as plenty with scarcity. The Niger Delta people are impoverished in the midst of riches. The World Bank (1995, 2-3) and the Niger Delta Development Commission (NDDC) (2004g) note that poverty indicators for the Niger Delta are below the national averages and one of the worst in the

country due to its socio-economic deprivation. Gross National Product (GNP) per capita in the Niger Delta is much lower than the 1,400 USD national average, in fact over 70 percent of the Niger Delta people live below the national poverty line. About 76.6 percent of the Niger Delta people have monthly earnings below 20, 000 naira (150 USD), out of which 66 percent earn below 10, 000 naira (75 USD) having lost their means of livelihood to oil industry activities without adequate compensation (NDDC 2004g). Environmental degradation resulted in low agricultural productivity and in turn low annual incomes and a deteriorating standard of living for over 70 percent of the Niger Delta's inhabitants who depend on subsistence agriculture for their sustenance. Also, the presence of a prosperous oil industry in the Niger Delta has led to rapid immigration and urbanization with its attendant inflation. This has increased the cost of living in the Delta and deepened the poverty of the Niger Delta people. The level of poverty in the Niger Delta is further escalated by corruption, mismanagement and lack of adequate government development policy (Ashton-Jones 1998, 168; Azaiki 2003, 87, 95; Bassey 2003, 48; Ejobowah 2000a, 37; Fubara 2002, 20; Ikein 1990, 102- 103; Manby 1999, 288; Nnadozie 1995, 76; Obi 2000a, 84; Okereke 2004, 63; Okonta and Douglas 2001, 19). Thus the Ogonis in a petition to the State assert:

> About two decades ago, agriculture was the mainstay of the economy of the Ogoni Division. But to-day, the entire economy of our people has been completely disrupted through the connivance of a nation which seems to have allowed the (MNOCs), a purely commercial organization, to enter upon and seize the people's land at will. So long as the nation gets her royalties, nobody bothers what happens to the poor rural farmer whose land has been expropriated. ... Deprived thus of his only source of income, the disposed farmer is ruined, and his children can no longer obtain an education nor his family a decent life. ...neither from the (MNOCs) nor from the successive Governments have we received the slightest consideration in the widespread destitution that has been our sad lot as a direct result of the oil industry in Ogoni Division. The uprooted and displaced farmers are left without alternative means of subsistence. No

> special consideration was ever given to the employment of our people in the services of the company (Saro-Wiwa 1992, 45-47).

Oil wealth promoted development and transformed other parts of Nigeria like the Federal Capital territory Abuja but not the Niger Delta. The Niger Delta has a very weak infrastructural base. It lacks basic social amenities such as roads, electricity, hospitals, schools and pipe-borne water that would have made life easier for the Delta's inhabitants. One of the ironies in the Niger Delta is the fact that most rural communities lack safe potable water supplies although water dominates their physical environment. They still rely on their polluted streams, wells, pumps and rain for the water with which they cook, wash and fish, having no other alternative. Only between 20 to 24 percent and 45 to 50 percent of the Delta's rural and urban populations respectively have good water supplies (UNDP 2006, 47-48; World Bank 1995, xii, 3). Likewise, many households and communities in the Niger Delta are without electricity. They live in darkness except for the constant light in the vicinity of gas flares. Only about 34 percent of the Niger Delta households have electricity supply (UNDP 2006, 49) in comparison to the 41 percent national average (World Bank 1995, 80).

In addition, the Niger Delta suffers from poor housing and sanitation conditions. While the urban centres are experiencing overcrowding and inadequate housing due to in-migration, the quality of housing in the rural areas of the Niger Delta is deficient. The World Bank (1995, 3) notes only about one-fifth of the houses in the rural communities of the Niger Delta meet basic housing standards. Most of the houses have poor toilet and sanitation facilities. The World Bank (1995, 78-79) also states that only about 12 to 25 percent of the households in the core Niger Delta have adequate sanitary facilities in comparison to the national average of 28 percent. Besides, the activities of the oil

industry pose a great challenge to housing in the Delta. Most buildings, including schools are affected by flooding, erosion, cracks and even fire outbreaks resulting from construction abnormalities, seismic explosives and vibrations, well and pipeline explosion and so on. The destruction of the few available school facilities by oil industry activities affects education in the Delta. Despite the Universal Primary Education (UPE) policy that guarantees free basic education, the level of education in the Niger Delta is low and less than the national average. For instance, only about 30 to 40 percent of the Niger Delta children attend primary school in comparison to the national average of 76 percent (World Bank 1995, 2). Not only does the displacement of their parents affect their availability for school but also the destruction of school facilities leaves them with no school to learn in. Most children who have lost their school compounds to oil industry operations are left with no other choice but to manage the dilapidated buildings and equipments left behind or in some cases relocate to under the shade of a big tree since the oil companies turn a blind eye to the effects of their activities in the Delta, as in the case of Seismograph Service v. Onokpasa. The seismic company denied responsibility and refused to repair or pay compensation for the damages done to 8 college classroom and dormitory buildings during seismic operations (Frynas 2003, 160).

Furthermore, the Niger Delta has one of the worst transportation and communication networks in the country. It has few motorable roads, most of which are seasonal and only lead to oil installations. While there are good road networks linking oil facilities there are none linking the isolated Niger Delta communities together. Even the few existing community roads are being destroyed by the oil industry's heavy duty machines. What's more, the transportation and communication problems in the Niger

Delta are exacerbated by fuel scarcity. The Niger Delta produces over two million barrels of crude oil per day but suffers from the shortage of petroleum products. While the rural communities lack petroleum filling stations, those in the urban centres are always empty. In fact oil is literally everywhere but in the fuel pumps. People are compelled to buy petroleum products at black market rates which are usually higher than the official subsidized rate (Thomas 2001, 11). Hence, transportation is difficult and expensive within the Niger Delta. This restricts the movement of the people and affects the prices of goods and services.

Health wise, the Niger Delta's health indicators are one of the most pitiable in the country. The adverse environmental degradation of the Delta's environment results in immense health hazards that threaten the well-being of all living organisms in the Delta. Oil industry activities such as waste disposal, oil spills, oil blowouts and gas flaring contaminate and poison the Delta's air, land and water. This is dangerous to the inhabitants' health and lives. It results in severe epidemic and increased incidences of illness especially water and respiratory related diseases associated with the intake of oil polluted water, food and air. As a result over the years the Delta has recorded increasing physical and psychological health problems. The contamination of the Niger Delta's land and water with micro-organisms during oil spills leads to higher incidences of water-borne diseases such as malaria, typhoid, diarrhoea, dysentery, cholera, guinea worm, river blindness, measles, nausea, vomiting and endocrine imbalance amongst many others. Also, several health problems in the Niger Delta have been attributed to gas flaring. They include airborne, sensory, respiratory and mental diseases such as whooping cough, hearing loss, skin infection, eye irritation, runny nose, sore throat, headache,

asthma and shortness of breath among others (Ashton-Jones 1998, 105-106; Azaiki 2003, 21-22, 95; Clark et al 2000, 7; Okereke 2004, 59-60; Okoji 2002, 203; Oshionebo 2002, 95, 97;Sagay 2001, 8-9, 39-41; UNDP 2006, 302-304; World Bank 1995, 3, 67, 70-72, 74, 76). Urhobo communities note that the:

> Analysis of soils and waters in postspill studies of some Urhobo sites show increased levels of chromium, mercury, copper, cobalt, cadmium, nickel, vanadium and lead. ... There is abundant evidence that the disease patterns of the Urhobo population has changed from the traditional malaria and pneumonia to diseases of the Respiratory Tract, Central Nervous System (brain and Spinal Cord), Blood System with the result that Urhobo people now suffer from CANCER of the various organs of the body (Sic) (Ejobowah 2000a, 39).

Life is short in the Niger Delta due to these pervasive health problems that reduces the quality and span of life of the Delta's inhabitants. Consequently, the Niger Delta now has one of the highest mortality rates in the country (Azaiki 2003, 55-56, 84). Life expectancy in the Niger Delta is about 45 years in comparison to the national average of 57 years (O. Ojo 2002, 37). And as the World Bank (1995, xii, 70-71) rightly notes, 80 percent of the illnesses and deaths in the Niger Delta are from water-borne diseases. This far exceeds the national average of 26 percent. The myriad of oil-related illnesses in the Delta is worsened by malnutrition and inadequate amenities especially healthcare, sanitation and housing facilities.

Psychologically, the mental health of the Niger Delta's inhabitants is severely impacted. The environment forms an integral part of the existence of the Niger Delta. They are not just linked to their environment but they are obligated to protect it, hence environmental degradation and the loss of resources and control, as well as political marginalisation and repression generates feelings of deprivation, powerlessness and dissatisfaction which affect the personality, mental and psychological well-being of the

Niger Delta people. Depression, distress and other mental illnesses are on the rise in the Delta as a result (Ashton-Jones 1998, 152-153; Iyalomhe 1998, 42; Ogo 2002, 243; Sagay 2001, 26-27).

Oil industry operations also led to the large influx of people, including expatriates into the Niger Delta region in search of jobs and other economic opportunities. This opened up the rural areas of the Niger Delta to the movement of people, goods and services and to external influences which significantly affects societal structures and lifestyle. The consequences of increased migration are enormous. First, it rapidly expanded the population of the Delta. The migration of thousands of oil workers into the Niger Delta increased population densities and habitable land constraints in the Delta. It also intensified urbanization and overpopulated the urban centres like Port Harcourt and Warri. Unfortunately infrastructural development lags far behind migration and is unable to cope with the increasing demand. Available institutions and utilities are over-stretched and cannot meet the growing needs of the fast-growing population (Ashton-Jones 1998, 155; Azaiki 2003, 57; Bassey 2003, 48; Frynas 2003, 110; Ikein 1990, 162; Okereke 2004, 63; Okonta and Douglas 2001, 112, 191; World Bank 1995, 15, 67, 75).

Secondly, migration and increased economic activities created wide sectarian and regional income differentials in the Niger Delta. Since the oil windfall was shared only by a few privileged oil workers, oil producers and elites to the detriment of the impoverished masses, the local people have comparatively low income in comparison with the high income of oil and state officials. The vast majority of the Niger Delta people have very little or no source of income and live in abject poverty whereas oil workers earn relatively high wages, live in luxury and engage in conspicuous

consumption. This inequality in the distribution of income and access to resources increased household and urban-rural income and welfare gaps, established social stratification and engendered social degradation in the Delta (Ashton-Jones 1998, 153, Nnadozie 1995, 88, 93; G. Ojo 2003, 34; Ojo and Ashton-Jones 2003, 79; Okereke 2004, 62; Sagay 2001, 43). For instance, the living quarters of oil firms stand out as 'oil colonies'. Oil company camps and estates are provided with good road networks, potable water, electricity, decent housing, medical centres, schools, telephones, internet, recreational facilities and security, whereas the host communities lack these basic infrastructures and live in deplorable conditions. These camps show off wealth which the communities do not share despite the fact that they bear the brunt of oil exploration and production (Ashton-Jones 1998, 156; Azaiki 2003, 151; Bassey 2003, 49; Hutchful 1985, 122; O. Ojo 2002, 38; Olojede et al. 2000, 39; Sagay 2001, 42-43; Ukeje et al. 2002, 17). Chief Onire Mabiri notes that the companies operating in his community "built office blocks and staff quarters ... complete with amenities such as borehole, hospital, and electricity power supply. There was no borehole in the community and there was no light. They have light in their homes while we live in darkness" (ERA/FoEN 2000, 57). Also, the temporary employment of local people during construction damages the social fabric of the society and creates some adjustment problems. With the oil boom came massive construction which provided temporary jobs for young people from the host communities for a few months during which they are paid attractive wages. This short-term rise in income leads to change in consumption and lifestyle, the imitation of alien cultures, as well as social dissatisfaction (Ashton-Jones 1998, 155; Frynas 2000b, 22; 2003, 110).

Thirdly, the oil boom, high purchasing power and comfortable lifestyle of the oil personnel introduced inflation in the prices of goods and services and increased the cost of living in the Niger Delta. The price of food, manufactured goods, building materials and rent accelerated several times, in fact it tripled and quadrupled making the Niger Delta's cost of living the highest in the country. Regrettably most inhabitants of the Delta are farmers and fishermen who were already experiencing low yields and so were not part of this boom but had to buy from the same market and suffer the effects of the inflation too (Bassey 2003, 48; Frynas 2003, 110; Hutchful 1985, 122; Ihonvbere 1983, 55-56; Nnadozie 1995, 77; Okonta and Douglas 2001, 25; World Bank 1995, 2; Ukeje et al. 2002, 15- 16).

Fourthly, oil and gas exploration created 'environmental refugees' and promoted rural-urban migration which separates families and alters traditional family structure. The forced movement of a large proportion of displaced adult males to urban areas in search of better livelihood and access to education, health and other social amenities leaves wives and mothers heading the home, fending and caring for the children, and providing continuity to community life and activities alone (Thomas 2001, 11, World Bank 1995, 4). Coping with this new challenge is overwhelming. Women and children not only miss their husbands and fathers but also live in poverty, hunger and disease as they suffer the most from the environmental and socio-economic degradation of the Delta. This increases the burden of women and impairs their physical and mental development (Bassey 2003, 60; Chukuezi 2002, 141-142; Ozo-Eson and Ukiwo 2001, 2; Thomas 2001, 12, 16-17; Ukeje et al. 2002, 12, 23-24).

Fifthly, the influx of migrants into the Niger Delta has disastrous cultural effects. It not only introduced strange cultures, ethics and lifestyles but also increased social vices. The imitation of alien cultures and lifestyles destabilizes societal norms and values and disrupts the people's way of life. It changes the cultural values and social mores, as well as the taste and demand for goods and services. The Niger Delta people are socially and economically vulnerable to the wealth and affluence oil workers parade. Some inhabitants, especially youths, are quick to copy the luxurious lifestyle of oil workers who not only consume and spend more but love imported goods. The Niger Deltans want to be part of this new wealthy class but are constrained by the circumstances in which they find themselves. They are aware of the enormous wealth generated from their environment and their deteriorating living conditions. This causes social discontent, antagonism, resentment and the like that destabilizes the society. With environmental degradation and the loss of livelihoods, poverty and unemployment drives youths to crime such as armed robbery, hooliganism, alcoholism, prostitution, violence, destruction of property, corruption, embezzlement and so on (Bassey 2003, 48, 60; Frynas 2000b, 22; Mitee 1999a, 11-12; Nnadozie 1995, 88-90; Okereke 2004, 62; Okonta and Douglas 2001, 192).

Last but not least, oil industry activities desecrate the socio-cultural heritage of the people. They defile and displace communal sacred places such as ancestral homes, shrines and burial grounds which are the basis of African traditions (Douglas 1999, 74; Egborge 2000, 97; Mitee 1999a, 8). They go as far as digging up ancestral graves without paying attention to the concerns of the local people who know the consequences of such

sacrilege and taboo, as in the case of Ohali-Elu community in Rivers State (ERA/ FoEN 2000, 11- 20). As Ukeje et al. (2002, 10) asserts:

> ...reckless oil exploration activities, including laying seismic cables and explosion, desecrated the cultural space, shrines, taboos and divinity of the host communities...gas flaring has had adverse impacts on the health and culture of the people, especially as it destroyed herbal plants, altered the local concept of time (for community sacrifices and religious rituals, and encourage the migration of totemic animals.

From the foregoing it is apparent that the Niger Delta's environment, biodiversity and livelihood, and by extension its very existence is threatened. In fact as Greenpeace International (1994, 5) notes, the Niger Delta "area has been labelled the most endangered delta in the world." Oil exploration and production has resulted in the environmental and socio-economic degradation of the Niger Delta. It has "turned pristine wetland in the area into wasteland" (Okonta and Douglas 2001, xi). The Environmental Rights Action/ Friends of the Earth Nigeria (2001) really capture the situation in the Delta when it notes:

> The communities have been left impoverished, their environment rendered inhospitable. Their traditional economies which were intimately tied to the environment have been devastated. The soil has lost its fertility and the waters its fecundity, destroying the basis for farming and fishing. And in all of these situations, this monumental environmental despoliation has been engendered by these direct activities of the big business in the areas. ... The Niger Delta is dying. The principal culprits in this environmental terrorism are the Western transnational oil corporations. They drill. They kill. They destroy. All for profit (Sic).

Ken Saro-Wiwa refers to this as 'genocide', an extraordinary ecological war killing the land and its inhabitants. In his words:

> The (Niger Deltans) are embattled and imperilled. Since oil was discovered in the area in 1958, they have been the victims of a deadly ecological war in which no blood is spilled, no bones are broken and no one is maimed. But people die all the time. Men, women and children are at risk; plants, wildlife and fish are

> destroyed, the air and water are poisoned and finally, the land dies (Saro-Wiwa 1994, 14).

He continues:

> The once-beautiful ... countryside is no more a source of fresh air and green vegetation. All one sees and feels around is death. Environmental degradation has been a lethal weapon in the war against the indigenous ... people (Saro-Wiwa 1994, 30).

He laments:

> What (the MNOCs) have done to (the) people, land, streams, creeks and the atmosphere amount to genocide. The soul of the ... people is dying and I am a witness to the fact. I hear the plaintive cry of the ... plains mourning the birds that no longer sing at dawn; I hear the dirge for trees whose branches wither in the blaze of gas flares, whose roots lie in infertile graves. The brimming streams gurgle no more, their harvest floats on waters poisoned by oil spillages. Where are the antelopes, the squirrels, the sacred tortoises, the snails, the lions and tigers which roamed this land? Where are the crabs, periwinkles, mudskippers, cockles, shrimps and all which found sanctuary in mudbanks, under the protective roots of mangrove trees? I hear in my heart the howls of death in the polluted air of my beloved home-land; I sing a dirge for my children, my compatriots and their progeny (Sic) (Saro-Wiwa 1992, 83).

Thus as Ikein (1990, 164) asserts, "the trend in oil production is correlated to increased social cost to the oil-producing areas." The Niger Delta is a classic illustration of the oil paradox, a paradox of boom and wealth along with doom and poverty. Oil is more or less a curse to the oil-rich Niger Delta. It has brought unprecedented exploitation, poverty, disease and agony to the Niger Delta people. Indeed, all the Niger Delta has to show for the oil boom is environmental devastation, socio-cultural desecration and economic displacement. The Delta's resources while providing enormous wealth for the Nigerian state and MNOCs have not translated into the region's development. From slavery through colonialism to independence inestimable human and material resources have been exploited from the Delta to promote the capitalist industrialization in the core. Colonialism not only introduced trade monopolies and political control but also moved

the economic and political centres of power out of the Niger Delta into the Nigerian hinterland. Many Niger Delta rulers, such as Oba Ovoramwen Nogbaisi of Benin, Nana Olomu of Itsekiri, King Jaja of Opobo and King William Dappa Pepple of Bonny were exiled for challenging and opposing British exploitation. The exploitative structures of colonial rule, including the appropriation of the Niger Delta's resources, were inherited and intensified after independence especially with the discovery of oil. This created a situation of 'internal colonialism' where the central government became the colonial power and the Niger Delta the colony (Alagoa 2002, 43; 2004, 9-10, 66-68; Darah 2001, 21-24; Saro-Wiwa 1994, 4, 29). As Alagoa (2004, 68) puts it: "[d]evelopments from the period of British colonial rule turned the Niger Delta from a region of primary international commercial and political activities into a marginal and peripheral zone." This heightened the unsustainable exploration and production of oil in the Niger Delta that resulted in the degradation of the Delta's environment and consequently in the loss of the people's primary source of livelihood. The influence of politics and the extent to which political decisions and structures have reinforced the negative impact of oil on life in the Niger Delta is the focus of the next chapter.

Chapter Three

The Niger Delta Question

This chapter examines the political issues and challenges facing the Niger Delta region of Nigeria. It provides a general overview of the ever-changing political structures, arrangements and laws within the Nigerian federation and how they accommodate and represent the interest of the ethnic minorities of the Niger Delta. It also underlines the inequitable distribution of power, resources and revenue fostered by the Nigerian state and how it influences and exacerbates the Delta's deplorable environmental and socio-economic situation.

- **The Political Exclusion of the Niger Delta**

Over the years the Niger Delta people have come to occupy an insignificant place within the Nigerian federation despite the vital significance of the region to the Nigerian political economy. The persistent restructuring of the Nigerian federation through arbitrary policies has excluded the Niger Deltans from political and economic participation by denying them their inherent rights to life, political autonomy, resource control, and environmental satisfaction. This issue poses a great challenge to Nigeria–Niger Delta relations.

From colonial times Nigeria has adopted several constitutional arrangements in the bid to accommodate its heterogeneous ethnic groups. Prior to political independence power was concentrated at the centre. The British colonial government exclusively wielded all constitutional and fiscal powers. It only began to decentralize power

gradually in the 1950s as part of its decolonization policies and processes (Azaiki 2003, 33; Ikein and Briggs-Anigboh 1998, 118).

At independence, the constitutional and political developments in Nigeria were not only influenced by colonial policies and agendas but also were biased in favour of the three largest ethnic groups, viz. the Hausa-Fulani, Yoruba and Igbo, who each controlled one of the three colonially-created and imposed regions and as such represented the then regions in all the pre-independence colonial constitutional conferences that debated and negotiated the terms and conditions of Nigeria's independence and produced the contents of the 1960 Independence Constitution. This consequently paved the way for their dominance in Nigerian politics (Ejobowah 2001, 59, 87; Okpu 1977, 152, 156). As Saro-Wiwa (1992, 20) notes, "[t]hese three groups, Hausa-Fulani, Igbo and Yoruba became the power-brokers in Nigeria, with the minority ethnic groups in each Region attached to them as mere appendages."

The 1960 independence constitution and subsequent Nigerian constitutional arrangements do not guarantee the political representation of the different ethnic groups within the Nigerian federation. The colonial division of the country into three regions drawn around the three largest ethnic groups retained at independence, recognized and served the interest of the majority ethnic groups without recognising and accommodating minority interest despite their fears and agitation for political autonomy and ethnic minority states during the constitutional conferences. Nigerian laws do not provide for ethnic minority representation in either the national or regional governments. Ethnic minorities are not guaranteed political positions or a minimum percentage of seats in any of the three arms of government. Political representation in the legislative assemblies, for

instance, is based on population. For election purposes the entire country is divided into numerous equal legislative constituencies, most of which are multi-ethnic. Accordingly, the largest ethnic groups have more seats in the legislature based on their numerical size. The chances of getting members of ethnic minority groups elected or nominated in organs of state power are slim, given the fact that politics in Nigeria has always been along ethnic lines and as such those with the largest numbers always win. Hence, minorities, including the ethnic minorities in the Niger Delta, are not adequately represented or accommodated in the political power structure since no special arrangements are made for them, given their disadvantaged minority status. The political framework is inequitable and biased against minorities. It favours the majority groups and creates majority dominance in the process (Ejobowah 2001, 2-4, 9, 63-64, 87, 93, 165; Leith 2001, 36; Okpu 1977, 152, 156, 157, 159 -163, 166). As Okpu (1977, 166) puts it, "ethnic minorities have been relegated to the role of political pawns in Nigerian politics."

Thus, the Niger Delta wields little or no political power. It is sidelined in national affairs despite the fact that it is the lifeline of the Nigerian political economy. The Niger Delta people lack access to state power and institutions. They have less representation in the national legislature and their voices go unheard due to their small size and population. The Niger Delta has little or no control over resources, spending decisions and policy-making, though it produces the bulk of the country's oil wealth. Throughout Nigeria's history, political and economic power has remained solely and exclusively in the hands of the Hausa-Fulani of Northern Nigeria with considerable number of Yorubas and Igbos forming part of the government. The Hausa-Fulani have always controlled the

government and armed forces. It has headed 8 of the 12 regimes Nigeria has had from 1960 to date. The Yorubas have led 3, the Igbos 1 and the Niger Deltans none. The concentration of power in the three major ethnic groups is to the disadvantage of the ethnic minorities of the Niger Delta who continue to be marginalised and excluded from national governance and economic development (Azaiki 2003, 51, 105; Frynas 2000a, 42-44, 56; Ikein and Briggs-Anigboh 1998, 69; Osaghae 1999, 89).

Over the years the distribution of regions (later states) has also been unequal and biased in favour of the ethnic majorities since it provides access to state power and revenue. In the Nigerian federation, state governments as the second tier of government are constitutionally guaranteed political representation in federal institutions, as well as some executive, legislative, judicial and financial powers over their jurisdiction and affairs. They have their own executive, legislative and judicial offices as well as civil service. They do not necessarily generate their own revenues but receive a part of the centrally-collected revenues in addition to grants and loans. As a result, creation of states has always been biased against the ethnic minorities of the Niger Delta in order to exclude them from the great benefits and opportunities it brings (Agbese 2001, 257-258; Anugwom 2000, 72-74; Azaiki 2003, 176-177; Ejobowah 2000b, 7-8, 11; 2001, 119, 137-139; Naanen 1995a, 58-59; Okereke 2004, 65-66).

The pre-independence agitation of the Niger Delta for political recognition, inclusion and autonomy in separate ethnic minority states was first satisfied in the 1960s for strategic reasons. In 1963 the Mid-west region was created for part of the Niger Delta out of the opposition party-controlled Western region as a ploy of the ruling coalition government to destabilize the opposition party, owing to power struggles between the

dominant region-based political parties. In 1967 the country was re-divided into twelve states, out of which three states (Mid-western, Rivers and South-Eastern states) were created for the Niger Delta as part of the military government's attempt to forestall Biafra's secessionist attempt and gain the support of the Niger Delta minorities in the then Eastern region (Ejobowah 2000b, 8-9, 11; 2001, 3-4, 99, 101-102; Ikein and Briggs-Anigboh 1998, 56-57, 108; Osaghae 1998b, 11, 18; 2003, 93). The Nigerian federation was further divided in 1976, 1987, 1991 and 1996 when seven, two, nine and six more states were respectively created bringing the number of states to 36 (Ejobowah 2001, 115; Matthews and Solomon 2002, 15). However, the Niger Delta states created in the 1960s were only re-divided many decades after they were created. South-Eastern State, later renamed Cross Rivers State, was divided in 1987, 20 years after it was created. The Mid-western State, later renamed Bendel State, and Rivers State, were only divided in the 1990s, about 3 decades after they were created, despite demands to fragment them and the fact that all the ethnic majority states created along with them had been re-divided into two or more new states (Azaiki 2003, 176; Ejobowah 2001, 148; Obi 2001a, 68; Quaker-Dukubo 2000, 75). Thus, the Niger Delta has fewer states and local governments in comparison to other regions in Nigeria. Creation of new states and local governments often goes to the three dominant ethnic groups to the detriment of the Niger Delta despite the fact that the fiscal benefit states receive from the central purse is generated from the Delta. Hence, the Niger Delta people see the creation of states "as a political device to increase economic and political prerogatives of the majorities" (Agbese 2001, 257).

Other power-sharing arrangements that have been put in place to constitutionally guarantee the equitable distribution of political and economic opportunities among the

component states and local governments of the Nigerian federation include the quota system, federal character and other rotational and zoning arrangements. The 1963 constitution, while forbidding discrimination, permitted the regions to implement employment policies that protected their members. Thus, a quota system was adopted in the 1960s to ensure the appointments and recruitments of disadvantaged groups in strategic regional bodies such as the civil service, universities and military (Ejobowah 2001, 3-4, 99-101). This approach was later constitutionalized and extended to cover national institutions through the adoption of the federal character.

The federal character principle adopted in 1976 and later entrenched into Section 14(3 and 4) of the 1979 constitution and subsequent constitutions, requires the recognition and proportional representation of all the constituent units of the federation in the composition of major state institutions. Memberships of federal agencies are required to reflect all the states of the federation while state bodies are to reflect all the local governments in the state. Likewise, government agencies and institutions are to reflect the federal character in carrying out their services such as the distribution of resources and infrastructures. The federal character principle is applied in party formation, presidential elections, board appointments, civil service employments, armed forces recruitment, university admissions and scholarship awards amongst other things (Azaiki 2003, 35; Ejobowah 2000b, 9; 2001, 3, 115, 119, 155-156; Ikein and Briggs-Anigboh 1998, 63-64; Kirk-Greene 1983, 461- 466; Matthews and Solomon 2002, 16; Osaghae 1998b, 19).

Other informal approaches include rotation and zoning of political offices. For instance, there is a rotational presidency aimed at giving every geo-political zone in

Nigeria a taste of the highest political office in response to the demands for power shift from the north to the south. Though constitutionally, the rotational presidency was raised, debated, crafted and abandoned in the 1990s, most political parties have adopted rotation and zoning arrangements in the sharing of political positions (Azaiki 2003, 35; Ejobowah 2001, 4, 119, 155).

These political arrangements are a kind of affirmative action aimed at accommodating diversity and instilling a sense of belonging and involvement among the heterogeneous ethnic groups that make up the Nigerian federation by ensuring the equitable inclusion of all the component states and local governments. Alas, they are manipulated by the dominant ethnic groups given their incomprehensiveness. They do not ensure balanced representation and distribution especially since representation is not based on ethnic groups but on multi-ethnic local governments, states and zones. Members of the majority group within each unit are structurally advantaged. They naturally dominate and take the available opportunities. Hence, minorities are still disadvantaged and do not benefit from these constitutional and informal power-sharing approaches. Power has remained firmly under the control of the largest ethnic groups. Ethnic minorities are still overlooked, relegated to the background and practically excluded from political participation. These power-sharing arrangements have proved inadequate in addressing minority problems and have not been able to promote national integration (Agbese 2001, 257-258; Azaiki 2003, 35; Ejobowah 2000b, 7-15; 2001, 3, 155; Kirk-Greene 1983, 466-473; Matthews and Solomon 2002, 16; Osaghae 1998b, 19). What is needed is a kind of equity or affirmative action that recognizes disadvantaged ethnic minority groups and tries to include them in the political institutions and processes.

The exclusion of the Niger Delta's inhabitants from the realms of political power and their inadequate involvement in the Nigerian political economy has serious implications for the state of affairs in the Delta especially in relation to the oil industry. The Delta's lack of adequate representation in the echelons of decision-making means their needs and interests are not effectively met and protected. Years of undemocratic military rule in Nigeria further distanced the Niger Delta minorities from political and economic opportunities as it arbitrarily centralized both political and economic power in the federal government with the growing significance of oil. Successive Nigerian governments enacted laws that facilitated the wholesale appropriation of the Niger Delta's resources and revenue by denying the Niger Deltans the right to own their resources and control how they are harnessed and their revenues spent. The federal government now exclusively controls, regulates and allocates all resources and revenues, about 90 percent of which comes from the Niger Delta, making the Niger Delta people the greatest casualties of the undemocratic military centralizing trends that have persistently restructured the power, resource and revenue-sharing arrangements in the Nigerian federation.

A good illustration of the governments' repressive laws that dispossessed the Niger Delta people of their God-given resources is the Land Use Decree of 1977 (later Act of 1978) which took away all individual and communal rights and claims to land, rents and royalties. Before the Act was promulgated the Niger Delta communities as land owners decided land tenure and use based on customary law. They negotiated and decided the terms and conditions under which they would lease their land to oil companies for oil operations, including the rate of rents, royalties and compensation.

However, the Act marked the end of discretionary land acquisition and compensation for land as it legalized land expropriation by authorizing the federal government's exclusive claim to land. As a result the communities get little or nothing in return for the loss of land since the oil companies operating in the Niger Delta are no longer required to pay rents, royalties and compensation for land acquisition to the communities. They only pay unrealistic compensation for crops, buildings and other structures on the land's surface. Oil companies manipulate the Act to get into any land they need without having any transactions with the host communities. They deal directly with the government and ignore the rights and interests of the host communities. Most times they just come into the communities to take possession of the land without as much as informing the people or seeking their consent. As a result oil companies are not accountable and answerable to their host communities. Even the little compensation for the land's surface they are legally required to pay is done haphazardly (Ashton-Jones 1998, 161; Azaiki 2003, 107, 156, 173; Frynas 2000a, 75-80; 2000b, 21-22; 2003, 101- 102, 109; Obi 2001a, 26-27; 2002, 276-277; Oshionebo 2002, 68-71; Sagay 2001, 25-27; World Bank 1995, 89-90).

Hence, Obi (2002, 277) asserts, "the Nigerian state legitimized its control of the oil-rich land, and vested itself with the sole power to grant access to the oil wealth in the delta. Beyond this, it provided a shield behind which oil companies could access land, degrade land, and alter the ecological balance of the region, without accounting to the people." O. Ojo (2002, 16) also added that Nigerian "laws vest control of resources of the indigenous peoples of the Niger Delta in the hands of unsympathetic central government that looks the other way while oil companies destroy their environment." This accounts for the enormous environmental and socio-economic degradation in the Niger Delta and

the fact that oil companies in the Niger Delta violate the people's rights to adequate compensation and a healthy environment while the government deprives them of the huge revenues derived from their resources.

- **The Politicization of Revenue Allocation in Nigeria**

Federal ownership and control of all resources and revenues in Nigeria has affected inter-governmental relations and promoted federal predominance in Nigerian federalism. Revenues are centrally-collected and allocated by the federal government that has made sure it allocates the bulk of the revenue to itself. As a result acquiring, increasing, allocating and spending revenue between the three tiers of government has become a very contentious and politicized issue in Nigeria. It is very crucial to the Niger Delta question.

The 1960 Independence Constitution and the 1963 Republican Constitution negotiated by the founding fathers of Nigeria granted ownership of all minerals found within the territory of each region including the continental shelf to that region (Azaiki 2003, 164; Sagay 2001, 22). Also, these constitutions, just like pre-independence arrangements, recognized the regions as resource owners and emphasized derivation as the major principle of revenue allocation. The derivation principle which recognises and rewards resource owners distributes national revenue on the basis of each region's contribution to the centrally-collected revenue. It returns a substantial percentage of the proceeds from the resources extracted from a region (state) back to the region that generates it. Under the principle of derivation, resource-producing regions should receive a greater share of the revenues they derived (derivative share) in addition to the share every region receives from the federal government (Azaiki 2003, 164; Ejobowah 2001,

65, 91; Furro 1995, 87; 1998, 228, 234; Obi 2002, 269, 279; G. Ojo 2003, 7; Okereke 2004, 102; Onwioduokit 2002, 67).

Derivation was heavily relied on and strictly practiced in the 1950s and 1960s during cash crop production, from which the regions dominated by the three largest ethnic groups received virtually all revenues. The Hausa-Fulani-controlled Northern region produced cotton, groundnuts, hides and skin; the Yoruba-led Western region (which housed part of the Niger Delta) produced cocoa, rubber and timber; and the Igbo-dominated Eastern region (which had the remaining part of the Niger Delta) produced palm oil, palm kernel and timber. From 1953 to 1959 each of these three regions retained all the revenues they generated in accordance with the 100 percent derivation in operation at the time. And from 1960 to 1969 when derivation was reduced to 50 percent each region (later states) received 50 percent of the revenues they contributed to the central purse. However, with the oil boom and the advent of oil as the main source of revenue in the late 1960s the allocation of revenues on the basis of derivation was de-emphasized and progressively decreased (Azaiki 2003, 133, 171; Bienen 1985, 19-20; 1988, 233-234; Dokubo, 2000, 22; Ejobowah 2000a, 32-34; Ekpebu 2002, 55; Frynas 2000a, 43; Furro 1995, 87, 102; 1998, 228, 235; Ikein and Briggs-Anigboh 1998, 292; Naanen 1995a, 55-57; Obi 2002, 269-270, 279-280; Obi and Soremekun 1995, 14; O. Ojo 2002, 12; G. Ojo 2003, 42; Okereke 2004, 97-100; Okonta and Douglas 2001, 24; Onwioduokit 2002, 2, 67, 97; Pearson 1970, 137- 139; Sagay 2001, 22, 24).

In 1970 through Decree No. 13 derivation was reduced from 50 to 45 percent. This was further decreased by Decree No. 9 of 1971 which transferred royalties and rents from offshore oil production to the federal government. Consequently, after 1971 the

lucrative offshore proceeds were excluded from the derivative share received by oil-producing states. Niger Delta states were not entitled to any of the revenues derived from the ever-increasing offshore oil production. They were denied the percentage of revenues due them from their continental shelf. They received 45 percent derivation from only onshore oil production, while all proceeds from offshore production and 55 percent from onshore production went to the federal Distributable Pool Account (DPA) and the federal government. As if that did not favour the national government enough, in 1975 through Decree 6, derivation was further significantly reduced to 20 percent of onshore proceeds from 45 percent. This increased the federal DPA share to 80 percent onshore proceeds in addition to 100 percent offshore proceeds (Azaiki 2003, 134; Bienen 1985, 19-20; Ejobowah 2000a, 35-36; Ekpebu 2002, 55; Furro 1998, 228, 239; Ikein and Briggs-Anigboh 1998, 137-139, 294-295; O. Ojo 2002, 12-14; Osaghae 1998a, 72-73). In 1982 through the Allocation of Revenue Act No 1 derivation was drastically reduced to an insignificant 2 percent (of onshore proceeds) though 1.5 percent of the total revenue was assigned as special fund for the development of oil-producing areas. This provision was retained by Decree No. 36 of 1984 which amended the Act with a little alteration (Uche and Uche 2004, 29-30). In 1992 through Decree 23 derivation was slightly increased to 3 percent from 2 percent in response to rising agitation and demand for more revenue in the Niger Delta. Also, the offshore-onshore dichotomy was nullified. Hence, from 1992 to 1999 (before the advent of democratic rule) the 3 percent derivation included both onshore and offshore proceeds. However, it was not paid to the state governments as the federal military government established a federal agency – the Oil Mineral Producing Areas Development Commission (OMPADEC) – to administer the 3 percent derivation

fund for the development of the oil-producing areas. Derivation was further increased through the 1999 constitution which guarantees at least 13 percent derivation in any revenue allocation formula approved by the National Assembly (Ekpebu 2002, 55; Okereke 2004, 103; Obi 2002, 280; Onwioduokit 2002, 69; Sagay 2001, 22; Olojede et al. 2000, 36). Surprisingly, the supposedly democratic federal government did not honour the constitutionally-provided 13 percent derivation until the Niger Delta states took action and demanded more revenues based on the provisions of the 1999 Nigerian Constitution. In 2000 when the government attempted to implement the 13 percent derivation, proceeds from offshore production were illicitly excluded and the arrears for 1999 were not paid (G. Ojo 2003, 42; Uche and Uche 2004, 31; Sagay 2001, 22). The federal government re-introduced the military offshore-onshore oil dichotomy into revenue allocation despite the fact that it had been abolished by the military government in 1992 and the 1999 Constitution provides for at least 13 percent of the centrally-collected revenue from any natural resource. This culminated in several court cases; disappointingly, the courts ruled in favour of the federal government although Section 162 (2) of the 1999 Nigerian Constitution clearly states, "the principle of derivation shall be constantly reflected in any approved formula as being not less than thirteen per cent of the revenue accruing to the Federation Account directly from any natural resources." The confiscation of offshore oil revenues by the federal government despite the fact that in some Niger Delta states such as Akwa Ibom virtually all oil production takes place offshore deprives the oil-producing Niger Delta states of the huge revenues derived from offshore oil production. Likewise, the funding of federally established and administered agencies set up to develop the states of derivation from the derivation fund further

decreases the 13 percent derivative share of the Niger Delta states (Ejobowah 2001, 42-43, 167) and shows the federal government is neglecting its constitutional responsibility to develop the poor region. At the end of the day the meagre 13 percent derivation amounts to little or nothing because of the deduction of offshore revenues and funds for federal development agencies.

Furthermore, the criteria for redistributing centrally-collected federal revenues to the states were arbitrarily altered several times. From 1970-1980, 50 percent of the DPA funds were shared equally with each state on the basis of balanced development and equality of states, while the other 50 percent was shared based on the population of each state. From 1981 to 1989, 40 percent of the DPA was shared on the basis of population, 40 percent on equality and balanced development, 15 percent on social development and 5 percent on internal revenue. Since the 1990s, 30 percent of the DPA is shared based on population, 40 percent based on balanced development, 10 percent each based on land area, social development and internal revenue (Olojede et al. 2000, 23-24). The introduction of these new criteria, though aimed at redressing perceived disparities, ensures the dispersal of the Delta's oil wealth to the disadvantage of the ethnic minorities of the Niger Delta who incidentally generate most of the revenues. The high weights given to population despite the lack of accurate population figures and the manipulation of census data in Nigeria, as well as the introduction of land area are biased against Niger Delta states given their small population and size and the fact that about 70 percent of the Delta is made up of water, not land. It favours the ethnic majorities in other regions of the country who have large populations and land mass. Also, since the Niger Delta has few states and Local Government Areas in comparison to other regions of the country it is

entitled to less of the oil revenue redistributed on the basis of equality. Azaiki (2003, 176) gives a good illustration of this scenario when he notes that while the northern Kano State, which has 44 Local Government Areas, receives 44 portions of the centrally-collected revenue, a Niger Delta state like Bayelsa State, which has only 8 Local Government Areas, receives only 8 portions despite its substantial contribution to the revenue. Hence, the Niger Delta states get less revenue from the funds redistributed amongst the states and local governments (see Table 2).

Table 2. Revenue Allocation to Local Governments for the First Half of the Years 2001 – 2005
(=₦= Million)

States	2001	2002	2003	2004	2005
Bayelsa*	1,441.2	1,562.5	2,171.8	2,720.9	3,109.1
Katsina	5,186.3	5,673.3	7,857.1	9,860.4	10,851.6
Delta*	3,780.5	4,248.8	5,871.3	7,180.6	7,966.0
Lagos	4,797.0	6,316.0	8,486.9	10,770.5	11,978.4
Rivers*	3,782.8	4,456.9	6,098.1	7,729.9	8,293.1
Kano	7,064.7	7,813.8	10,806.7	13,548.4	15,025.1

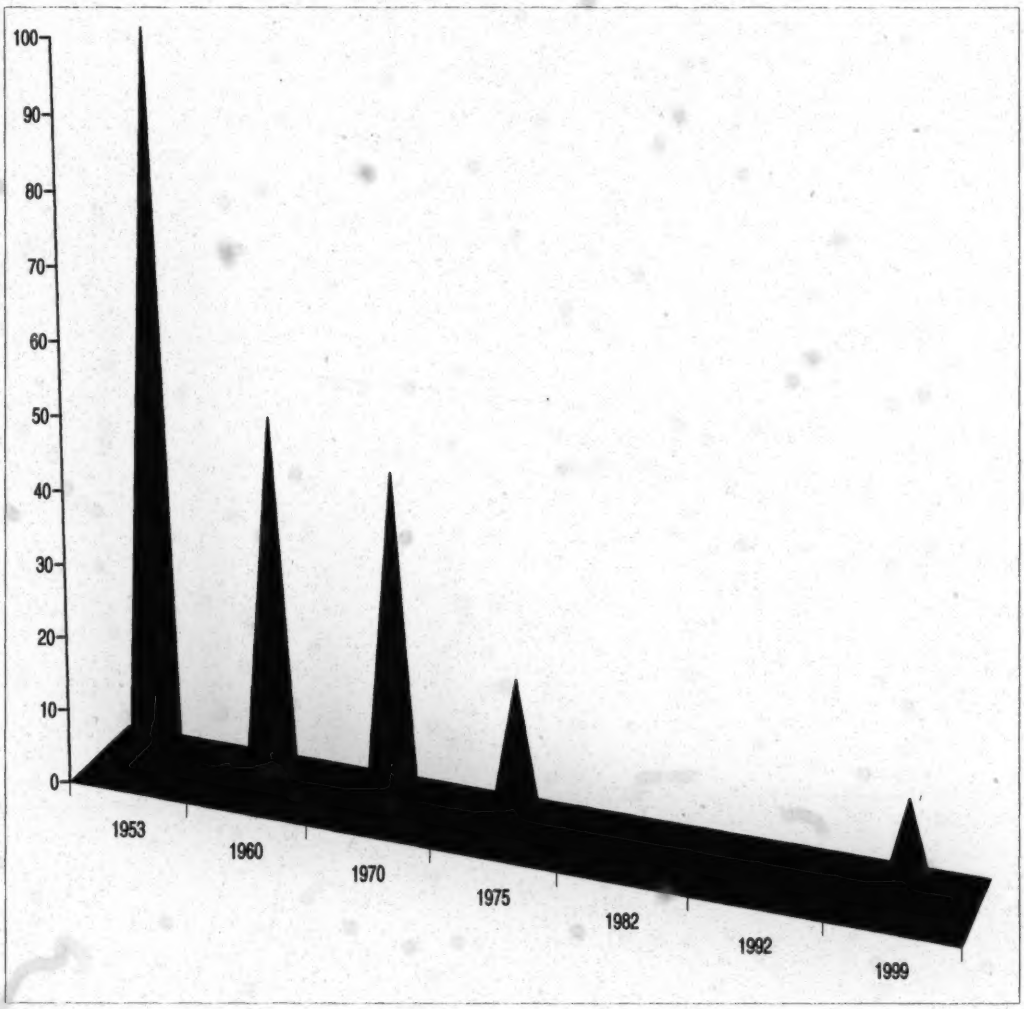
*Core Niger Delta State

Source: Compiled from Central Bank of Nigeria, 2005 Half Year Economic Report (2005, 11).

Thus, the Niger Delta states are short-changed. The habitual alteration of the revenue allocation formula used for sharing the centrally-collected revenues has been biased against the Niger Delta states despite the fact that they produce virtually all the country's new-found and ever-increasing oil revenue. Fiscal centralization and the significant decline of the derivative share from 100% in the 1950s, to 50% in the 1960s, to 45% in 1970, to 20% in 1975 and to 2% in the 1980s, after which it was slightly increased to 3% in 1992 and to 13% in 1999 in response to rising agitations (see Figure 1), as well as the introduction of the onshore-offshore oil dichotomy and inequitable criteria for redistributing the federal DPA funds amongst the states, have drastically downsized the Niger Delta's revenue base and capacity to develop. The federal government now receives, retains and redistributes huge oil revenues that should have accrued to the Niger Delta whilst allocating only a small proportion of the centrally-collected revenue back to the Niger Delta states. The relegation of the derivation principle of revenue allocation amidst rising oil revenues is more than a coincidence. Hence, Azaiki (2003, 171) asserts, "[t]oday, the Nigerian economy is about 90 percent dependent on oil from a minority region. But a newfound liberalism of even development commanded by a strong centre makes the derivation principle a treasonable taboo." The same dominant ethnic groups which favoured and benefited from derivation when they produced the main source of revenue are now arguing against it with the rise of oil as the major revenue earner. They have revised their former arguments for rewarding resource owners with the claim that oil and gas are free natural resources and so should be collectively owned by all Nigerians (Bienen 1983, 3-4; 1988, 233- 234; Ejobowah 2001, 161; Furro 1995, 83; 1998, 235-243; Onwioduokit 2002, 4-5; Pearson 1970, 139, 142).

They forget that nothing is ever free. The steep environmental, socio-cultural and economic cost of oil and gas production in the Niger Delta points to this fact.

Figure 1. Derivation De-Emphasized



Source: Ekpebu (2002, 55); Olojede et al. (2000, 36).

Due to this inequity, the rise in oil revenues did not translate to benefits for the Niger Delta since the enormous revenue generated in the Niger Delta is not used for its physical, social and economic development. The Niger Delta is not only deprived of substantial revenue that it could have used to develop the region but also successive Nigerian governments have used the Niger Delta's difficult swampy terrain as an excuse to refuse to sponsor its development. The government claims the Niger Delta's environment hinders development. Albeit, the extensive reclamations, good roads and many bridges built over land and water in Lagos (Western Nigeria), as well as the creation and development of a new Federal Capital Territory, Abuja (Northern Nigeria) points to the fact that the Niger Delta's topography is surmountable. While the Niger Delta communities are languishing in poverty, oil revenues have not only financed the provision of social amenities in other regions but also huge capital projects such as refineries, petrochemical plants, steel complexes, international airports, superhighways, and pipeline networks transferring refined oil across the country (Azaiki 2003, 107; Bienen 1985, 55- 57; Darah 2001, 32; Egborge 2000, 97; Fubara 2002, 28; Ikein 1990, 44, 72, 103, 130, 164; Nnadozie 1995, 75, 93-94).

As shown in this chapter the ever-increasing centralizing trends of the Nigerian state have left the Niger Delta with little or no power, resources and revenue to partake in oil and gas development. The Niger Delta produces enormous wealth but its people still live in abject poverty and misery. They bear the increasing brunt and cost of oil and gas production without partaking in the benefits. The environmental, socio-economic and political challenges facing the Niger Delta people have raised serious questions for the continued existence of the Nigerian federation, as it has given rise to large scale

resistance and unrest which has come to characterize the Delta today. As a result, the Niger Delta question has attracted both national and international attention since it threatens not just the Nigerian political economy and the very existence of Nigeria itself, but also the global demand for steady and cheap supply of oil. The next chapter looks at the resistance that has arisen in the Niger Delta over the years.

Chapter Four

The Niger Delta's Resistance

This Chapter discusses the resistance, demands and unrest that have arisen from the Niger Delta as a result of their deplorable environmental, socio-economic and political condition. It traces the origin of resistance and unrest in the Niger Delta, highlights how the Niger Delta's Demands have changed over time, and examines the demands of the Niger Delta people for political autonomy since the 1990s using the 'Ogoni Bill of Rights' and 'Kaiama Declaration' as case studies.

- **Unrest in the Niger Delta**

The alienation of the Niger Delta people from their land, resources and revenue despite the fact that they bear the environmental degradation and socio-economic dislocation associated with it is fuelling crisis and unrest in the Niger Delta today. The inequitable distribution of power, resources and revenue in the Nigerian federation gave birth to feelings of deprivation, marginalization, powerlessness, dissatisfaction and resentment in the Niger Delta. This has resulted in conflict, agitation, repression, violence and instability which have come to characterize the Delta in recent times.

The Niger Delta is plagued with poverty and underdevelopment in the midst of great wealth. Its people have been marginalized in the national polity, deprived of their rights and dispossessed of their resources. They are not happy with the unruly exploitation of their oil and gas resources, the devastation of their environmental and socio-economic life, the misappropriation of their oil wealth and the reaction of the Nigerian state to their plight. They are aware of the inequitable distribution of resource

benefit and cost. They know of the enormous wealth their resources generate and how it enriches others while impoverishing them. They are also aware of the disparities in the distribution of revenues and delivery of social amenities. They have noticed that while they are languishing in poverty, oil revenue generated from their remote communities has transformed communities and even deserts in other regions of Nigeria into modern cities with good infrastructures. What is more, they are aware that oil is exhaustible. They have seen the fate of Oloibiri, which housed the first vibrant oil wells in Nigeria but lies in waste today after being emptied, devastated and abandoned. Besides, they are aware of the federal government's insensitivity to their plight. They have experienced suffering, neglect, denial, marginalization and repression. This realization has ignited discontent, resentment, restiveness, tension and the like which are expressed both peacefully and aggressively in the form of resistance to domination and exploitation, as well as a quest for power, democracy and reparation (Ashton-Jones 1998, 153, 161-162, 169; Azaiki 2003, 51, 84, 94, 113; F. Badru 2000, 259; Frynas 2000a, 1-2, 46; 2003, 101-102; Obi 2000b, 280-281; 2004, 1, 4-5, 21, 26; O. Ojo 2002, 6, 11; G. Ojo 2003, 33-34; Okonta and Douglas 2001, 32-34, 57; World Bank 1995, 82, 89; Ukeje et al. 2001, 339-343; 2002, 2-3, 8-11, 20-23). Moreover, this quest has attracted a good number of women and youths into the Niger Delta struggle due to the realization that their very survival is at stake (Ikelegbe 2001, 443; 2005, 241-243, 249-264; Obi 2001a, 76-78; O. Ojo 2002, 43-46; Ukeje et al. 2001, 343-352; 2002, 11-12; 15, 17, 24-26).

Resistance is not new to the Niger Delta which has always resisted exploitation and injustice since colonial times. First, some Niger Delta kings and merchants fiercely challenged British colonial rule, trade monopolies and taxes (Darah 2001, 24; O. Ojo

2002, 1). Then, in the 1950s, during the pre-independence constitutional conferences, the Niger Delta people expressed fears of exclusion and marginalization. They intensely agitated for political recognition and accommodation in separate minority states within the Nigerian federation to move the government closer to the people and allay their fear of domination. This led to the establishment of the Sir Henry Willink Minority Commission in September 1957 to enquire and ascertain whether the ethnic minority fears were founded and advise on ways of allaying them. The Commission's report confirmed the fears of the Niger Delta minorities; in fact it described the Niger Delta as "poor, backward and neglected." However, it dismissed the Delta's demands for the creation of states on the grounds that it would lead to the proliferation of minority groups. It recommended constitutional safeguards such as the entrenchment of fundamental human rights in the Nigerian constitution and the creation of a federal agency (the Niger Delta Development Board (NDDB)) to oversee the development of the core Niger Delta which it declared a "special area" that needs federal and regional attention due to its backwardness. The Commission's report left the minority problem unsolved as its recommendations did not counteract majority domination. It did not satisfy the ethnic minorities of the Niger Delta who kept pressing home their demand for state creation (Azaiki 2003, 50-51; Ejobowah 2001, 67-69, 93, 167, 182; Okpu 1977, 15, 65-71, 117-118, 124, 155-156; Osaghae 2003, 92-93; Sorgwe 1997, 127-128).

Soon after the advent of oil as the main revenue earner in the late 1960s resistance escalated in the Delta. With the increasing dependence on oil revenue came the increasingly desperate struggle to control state power, oil resources and revenue. The hegemonic ethnic groups struggle to retain power and control over resources through

over-centralization, while the excluded groups including the resource producing minorities struggle to gain access and resist the hegemony of the dominant ethnic groups (Egborge 2000, 82; Obi 2004, 5; Obi and Soremekun 1995, 14). This results in a bloody battle over oil. Unfortunately the Niger Delta is the battlefield in which this war is fought. It is the arena of struggle, agitation and violent conflict (Ejobowah 2000a, 30; Obi 2002, 282; O. Ojo 2002, 1; Okonta and Douglas 2001, 21).

In the 1960s, the inequality in the distribution of power and resources generated tension, strife, and crisis that poisoned inter-governmental relations, destroyed national unity and led to military coups and counter-coups and two secession attempts. First, in February 1966 the Niger Delta Volunteer Force (NDVF) under the leadership of Isaac Adaka Boro and his comrades Samuel Owonaro and Nottingham Dick organised a short-lived revolution aimed at liberating the Niger Delta people from the marginalisation of the dominant ethnic groups. They recruited and trained about 150 Ijaw youths, took up arms, invaded some Ijaw towns and declared the Niger Delta Republic to be an independent country for the Niger Delta people. Nonetheless, the Niger Delta Republic was aborted after twelve days. The Federal Military Government arrested, tried and convicted Boro and his lieutenants of treason and sentenced them to death. However, as part of the ploy to get the Niger Delta on the federal side during the Nigerian civil war Lt. Col. (later General) Yakubu Gowon, the then military head of state, commuted their sentences and created 12 states in response to the Niger Delta's long standing demand for states. After their release, Boro joined the Nigerian army and died fighting for the supposed unity, peace and stability of the country during the civil war. He had hoped that the creation of states was the beginning of self-determination and freedom from majority

domination for the Niger Delta people (Alagoa 2004, 11; Azaiki 2003, 80; Darah 2001, 27- 28; Egborge 2000, 82; Ejobowah 2000a, 33; Obi 2001a, 21-22, 73; 2002, 270; Obi and Soremekun 1995, 14; O. Ojo 2002, 12; Sorgwe 1997, 103).

Second, the then eastern region sought political restructuring for the Nigerian federation due its inherent structural inequities. However, the failure of the federal government to abide by the confederation agreement reached at the Aburi, Ghana conference led to the Nigerian civil war (1967-1970). The Igbo-dominated Eastern region led by Lt. Colonel Chukwuemeka Odumuegwu Ojukwu declared the Republic of Biafra on May 30th 1967 (Darah 2001, 28; Ikein and Briggs-Anigboh 1998, 57-61; Okereke 2004, 24-27; Onoh 1983, 112-116;). Despite its fundamental goal, oil influenced the Nigerian civil war. Both Biafra and the federal government fought to gain control of the oil-rich Niger Delta. Not only was the inequitable distribution of oil revenues one of the main issues, but also the wealth and financial security huge oil revenues would provide encouraged Biafra's secession and the federal government's refusal to let Biafra go (Bienen 1983, 4; 1985, 10-11; 1988, 232-233; Ikein 1990, 65; Ikein and Briggs-Anigboh 1998, 125-129; Obi and Soremekun 1995, 14-15; Okereke 2004, 101; Onoh 1983, 107; Osaghae 1998a, 96).

In the 1970s up until the mid-1980s resistance took the form of litigation, written demands, appeals and petitions to the Nigerian state and MNOCs for state creation, compensation and development projects amongst other things. But the government and MNOCs failed to address the grievances and demands of the Niger Delta people. As Saro-Wiwa (1992, 7) decries, "[n]ot the pleas, not the writing over the years have convinced the Nigerian elite that something special ought to be done to relieve the

distress of the" Niger Delta people. Consequently, from the mid-1980s to the mid-1990s the Niger Delta people stepped up their protest due to the failure of the old strategy. They adopted new action-based strategies such as peaceful demonstrations and occupation of oil facilities (Owugah 1999, 5-6).

However, the Niger Delta's agitations were met with repression rather than dialogue. Both the government and oil companies relied on security units to quell protesters instead of negotiating with them. Successive Nigerian military and civilian governments enacted repressive laws aimed at containing anti-oil agitations such as the Civil Disturbances (Special Tribunal) Decree of 1987 which set up special military tribunals to try protesters for what they termed civil disturbances and the Treason and Treasonable Offences Decree of 1993 which declared the struggle for local autonomy treason to be punishable by death, amongst many other laws which proscribed advocacy groups and allowed for the arrest and detention of activists without trial, etc. They also set up special security task forces (like the Rivers State Internal Security Task Force) and deployed them to occupy the Niger Delta states, in addition to regular Police, Mobile Police and Armed Forces units all charged to violently suppress and crush protesters and resistance movements. This resulted in brutal military attacks and human rights abuses characterized by indiscriminate killing, arrest, torture, rape, intimidation, destruction and so on. Several cases of violent repression occurred in the Niger Delta such as the 1995 execution of the Ogoni nine, including Ken Saro-Wiwa, a renowned environmentalist and writer, in an attempt to shatter the resistance struggle of the Movement for the Survival of the Ogoni People (MOSOP). And, the 1999 Odi killings left about 2, 483 people dead and many more wounded and displaced as the whole town was razed down in response to

the killing of 12 police men. As well, the 1990 Umuechem massacre brutally killed about 80 unarmed protesters, injured many others and ransacked the community, destroying over 500 houses and properties worth millions of naira. This occurred after Shell invited the Mobile Police to suppress peaceful protests against the devastating effect of Shell's activities in the Umuechem community and demands for compensation and community development projects (Azaiki 2003, 81, 150, 153-154; Bassey 2003, 48-60; ERA/ FoEN 2000, 21-26, 70-74; Frynas 2000a, 54-57; 2003, 99, 104-105, 112; Human Rights Watch 1996, 15-32; 1999a, 4-7, 23; 1999b; Manby 1999, 289-298; Obi 2004, 25-30, 33-34; 2000b, 290-292; 2001a, 50, 61-62, 82-85, 95; 2001b, 179, 184, 192; Okereke 2004, 107, 110-119, 124, 125, 130; Okonta and Douglas 2001, 32, 58-60, 119-156; Oshionebo 2002, 7-9, 62, 92-95, 99-104; Owugah 1999, 5-6; Quaker-Dukubo 2000, 79-80; Simonsen 1995, 52-54; Ukeje 2001, 352-358). Recently, Ijaw communities in the western part of the Niger Delta have been bombarded in the guise of raiding an illegal smuggling operation (Ashby, 2006a).

Nevertheless, repression has not restrained the people. Rather it gave birth to increasing militancy since the mid-1990s. With the lack of mechanisms and avenues for dialogue, debate and negotiation, as well as the failure of litigation, peaceful protest and demonstrations, and other non-violent strategies the Niger Delta people have taken direct action and developed an alternative means to extract better deals. They adopted grassroots mobilization and violent methods to gain attention and redress for their deplorable environmental, socio-economic and political plight. That's why in the last decade there has been an increase of violent conflicts and protests against the centralizing trends of the Nigerian state and the devastating effects of oil industry operations.

Increasing agitations and unrest have caused significant disruptions that threaten oil-based accumulation in the Niger Delta. The Niger Delta people are determined to claim back their rights to rents, royalties and adequate compensation for the exploitation of the resources in their territory, as well as their right to a safe and healthy environment. They are disrupting oil industry operations by organizing mass protest, violent demonstrations, forceful occupation and vandalization of oil installations and hostage taking amongst others. This results in deaths, destruction and loss of billions of dollars in oil revenue and foreign exchange earnings, as well as the intensification of conflicts between oil companies and communities in the Niger Delta (Ejobowah 2000a, 29-30; Frynas 2000a, 1, 20, 46-48; Obi 2001a, 79-82; Okonta and Douglas 2001, 26; Olojede et al. 2000, 4, 6, 39, 49; Owugah 1999, 5-6; Ukeje et al. 2002, 1-2, 8).

Alas! Today, we are witnessing intensified militancy and unprecedented attack on oil facilities in the Niger Delta, as organizations advocating the rights of the Niger Delta people to their resources and revenue have concluded that violent actions are the only way to get the attention of the government and oil companies. In the first seven months of 2006 alone a series of violent conflicts and attacks have been launched, ranging from the kidnapping of several oil workers including at least 32 expatriates to the destruction of pipelines, flow stations, terminals and other oil installations (AFP 2006). Consequently, several oil fields and terminals have been shut down, leading to a momentous cut in production output by over 1.015 million barrels per day and a daily loss of about 92.365 billion naira (71.05 million USD) in oil revenue (Igbikiowubo, Onoyume, and Oyadongha 2006). This has cut down Nigeria's daily production of about 2.5 million barrels by 40 percent. The militants have not only increased their attacks but also have

stepped up their initial threat of cutting down oil production in the Niger Delta by half to bringing it to a total halt unless their demands for decentralization of power and resources are met (Ashby, 2006b).

Today tension, insecurity and unrest abound in the hitherto peaceful Niger Delta due to the injustice, exploitation and repression that comes with capital accumulation. Most times the process of capital accumulation fuels and is maintained by violence and instability (Obi 2004, 3-6). So it is not surprising that oil production has been linked with violent conflict all over the world. The Niger Delta is no exception. Violence is not inherent in the Niger Delta. The Niger Delta is not William Golding's *Lord of the Flies* lawless jungle. The Niger Delta people are only resisting exploitation and fighting for justice, democracy and their survival. As Ken Saro-Wiwa puts it in his pre-conviction statement, they are:

> Appalled by the denigrating poverty of (their) people, who live on a richly endowed land, distressed by their political marginalization and economic strangulation, angered by the devastation of their land, their ultimate heritage, anxious to preserve their right to life and to a decent living, and determined to usher into this country as a whole a fair and just democratic system which protects every one and every ethnic group and gives us all a valid claim to human civilization (Okonta and Douglas 2001, 208).

- **The Niger Delta's Demands**

The Niger Delta's demands, as we have seen, date back to pre-independence times when its peoples first demanded the creation of minority states to counter majority domination. However, as Osaghae (2001, 1-2, 17) rightly notes, in the 1990s, encouraged by global and democratic trends, the Niger Delta's demand changed from mere accommodation to self-determination. They are no longer demanding accommodation in separate minority

states but instead seek increased access to political and economic powers through political autonomy and resource and revenue control.

Global events such as the increasing attention being given to democracy, human, environmental and minority rights increased the number of advocacy groups campaigning for the rights of the Niger Delta people. They include: the Ethnic Minority Rights Organisation of Africa (EMIROAF); Movement for the Survival of Ogoni People (MOSOP); Movement for the Survival of the Izon Ethnic Nationality in the Niger Delta (MOSIEND); Movement for the Emancipation of the Niger Delta (MEND); and Ijaw Youth Council (IYC) amongst many others. These organizations also receive the support of many national and international non-governmental organizations such as: the Environmental Rights Action (ERA); Friends of the Earth Nigeria (FoEN); the Niger Delta Human Environmental Rescue Organisation (ND-HERO); Amnesty International (AI); Human rights Watch (HRW); Greenpeace; and the Unrepresented Nations Peoples' Organization (UNPO) (Egborge 2000, 99; Frynas 2000a, 46-48; Obi 2001a 74-75; 80; 2001b, 174- 175, 187; O. Ojo 2002, 16; Okereke 2004, 66; Okonta and Douglas 2001, 107, 143, 154; Osaghae 1998a, 245; 2003, 98; Ukeje et al. 2002, 34).

Thus, the Niger Delta people heightened their demands for the equitable distribution of power and resources since the 1990s. The Niger Delta's demands have been articulated in the form of Charters, Declarations, Resolutions and Bills of Rights presented to the Nigerian state and MNOCs. They include: the 1990 Ogoni Bill of Rights; the 1992 Izon People's Charter; the 1998 Kaiama Declaration; the 1999 Warri Accord; and the 2000 Niger Delta Union Charter amongst many others (Azaiki 2003, 156; Ineneji

2000; Obi 2001a, 74; 2002, 281; O. Ojo 2002, 24; Okonta and Douglas 2001, 142; Olojede et al. 2000, 40-41; Osaghae 2001, 11; 2003, 98).

All these demands have similar and identical provisions. Therefore in order to avoid repetition I am discussing the Ogoni Bill of Rights and Kaiama Declaration as case studies to point out the Niger Delta's demands. These two documents are important watersheds in the Niger Delta struggle. They not only sum up the Niger Delta's demands but they also introduced new strategies into the Niger Delta struggle. The Ogoni Bill of Rights, drawn in 1990 by the Ogoni people is not just the first of its kind but also the most famous. It redefined the Niger Delta's demands and inspired the emergence of other minority demands including the Kaiama Declaration, which was modelled after the Ogoni Bill of Rights though it goes further to make more radical demands. Also, both the Ogoni Bill of Rights and Kaiama Declaration adopted mass mobilization and networking strategies that not only internationalized the Niger Delta's struggle but also prompted the pre-eminence of a significant number of youths and women in the struggle (Frynas 2000a, 47; Ihonvbere and Shaw 1998, 211-212; Obi 2000b, 290; 2001a, 76-82; O. Ojo 2002, 24; Olojede et al. 2000, 45-46; Quaker-Dukubo 2000, 77, 80).

- **The Ogoni Bill of Rights of the Movement for the Survival of Ogoni People**

The Ogonis, with a population of over 500, 000, occupy a territory of about 700 km² in the Eastern part of Niger Delta of present day Rivers State of Nigeria. Ogoniland is made up of six kingdoms: Babbe, Gokanna, Nyo-Khanna, Ken-Khana, Tai and Eleme which speak four main languages and numerous dialects (Mitee 1999a, 1, 3-4; Saro-Wiwa 1992, 11; 1994, 29).

The Movement for the Survival of Ogoni People (MOSOP) was formed in 1990 as a resistance movement opposing the exploitation, marginalisation and ecological devastation advanced by the Nigerian state and MNOCs (especially Shell). MOSOP's goals, agenda and struggles were carefully drawn and its strategies effectively planned. It came up with new strategies which involved extensive mobilization and networking with both local and international environmental and human rights advocacy groups. MOSOP adopted mass grassroots mobilization and participation that cut across class, age, gender and social stratification. MOSOP was established as the platform and coalition of various groups in Ogoniland such as: the National Council of Ogoni People (NYCOP), Federation of Woman Associations (FOWA), Ogoni Central Union (OCU), Ogoni Teachers Union (OUT), Ogoni Students Union (OSU), National Union of Ogoni Students (NUOS), Council of Ogoni Traditional Rulers (COTRA), Council of Ogoni Professionals (COP), and Council of Ogoni Churches (COC) among others. It was able to get every Ogoni person – men, women and children alike – to commit to the Ogoni cause by contributing a flat levy of one naira each to the 'Ogoni Survival Fund' as a show of commitment. Also, MOSOP used peaceful strategies to draw attention to the Ogoni plight, resist exploitation and obtain concessions. It wrote letters and newspaper articles, produced documentary films and organized mass rallies, protest and demonstrations, lectures, seminars, workshops, campaigns, press conferences and tours (Darah 2001, 30; Ihonvbere and Shaw 1998, 210-212, 232, 224; Mitee 1999b, 432-433; Naanen 1995a, 68-70; Obi 2000b, 288-289; 2001a, 75-76, 81, 91; 2001b, 176, 181-182, 185; O. Ojo 2002, 21; Okonta and Douglas 2001, 118, 120; Saro-Wiwa 1994, 18, 39-41; Ukiwo 1999, 63, 66).

MOSOP produced the 'Ogoni Bill of Rights' which not only represented the interest of the various Ogoni peoples, groups and kingdoms but was drafted and adopted with their full participation. MOSOP created awareness, educated and mobilised the Ogoni masses and organized wide consultation and debates that involved all strata of society. Hence, the Ogoni Bill of Rights received popular consent and legitimacy in Ogoniland. It was endorsed by representatives, traditional rulers and leaders of five Ogoni Kingdoms: Babbe, Gokanna, Nyo-Khanna, Ken-Khana, and Tai on August 26, 1990 and submitted to the federal military government and oil companies in October, 1990. However, after waiting one year without any response the Ogonis prepared and presented an 'Addendum to the Ogoni Bill of Rights' to the Federal Military Government and the international community in August 1991 (Ihonvbere and Shaw 1998, 210, 229; Mitee 1999a, 25; 1999b 433; Obi 2001a, 71; 2001b, 181-182; Okonta and Douglas 2001, 117; Saro-Wiwa 1992, 93, 97; 1994, 5, 9-10).

The Ogoni Bill of Rights outlines the annotations and demands of the Ogonis. It notes their appalling condition and makes demands based on that. It traces the forceful integration of the Ogonis into the Nigerian federation by the British colonial government and outlined the plight and misery of the Ogonis ever since. It states that over three decades of oil production in Ogoniland have generated over 40 billion naira (30 billion USD) for the Nigerian state and MNOCs without returning any benefit to the Ogoni people who have lost their land and pristine environment to oil pollution and are witnessing socio-economic dislocations as a result. As if that was not enough, they lack political representation in national institutions, employment in government, public and private sectors including the oil companies, as well as social amenities such as education,

health, electricity, pipe borne water and other infrastructures. Moreover, their languages are undeveloped while they are forced to learn other Nigerian languages (those of the dominant ethnic groups). And their fundamental constitutional rights have been denied and abused by successive Nigerian governments who have obnoxiously restructured the federation, instituted majority hegemony and transferred their resources to others while placing them in slavery and internal colonialism (Agbese 2001, 254; Anugwom 2000, 73-74; Etu-Efeotor 1995, 73-74; Mitee 1999a, 25; Naanen 1995a, 67; Obi 2000b, 288-289; 2001a, 121-122, 124-125; 2001b, 175, 184-185; O. Ojo 2002, 21; Olojede et al. 2000, 43-45; Saro-Wiwa 1992, 92-95; 1994, 21-26, 31-32).

The Ogoni Bill of Rights proceeded to make demands based on the neglect, marginalization, discrimination and domination of the Ogonis in order to seek redress and ensure equity, freedom and justice. The Ogoni Bill of Rights demands political autonomy that includes and guarantees political, economic, environmental, social and cultural rights for the Ogonis within the Nigerian federation.

Politically, it demands the political right to assert itself and control its affairs, as well as adequate representation in all national institutions. The Ogonis want meaningful self government and access to political power and authority that would allow them to rule themselves and be part of the decision-making process that decides their destiny because they can no longer leave their destiny in the hands of the insensitive Nigerian state which has so far failed them. They seek equitable power-sharing arrangements that would include them in state institutions and ensure their interests are well represented in the Nigerian federation (Agbese 2001, 254; Frynas 2000a, 47; Ihonvbere and Shaw 1998, 229; Mitee 1999a, 26; Naanen 2001, 222; Obi 2000b, 176, 289; 2001a, 60, 71, 75, 95,

122-123, 125; 2001b, 182, 280; O. Ojo 2002, 21, 40; Okonta and Douglas 2001, 117-118; Olojede et al. 2000, 45; Osaghae 1995, 341; 1998a, 304; 1999, 90-91, 94; 2001, 10; 2003, 98; Saro-Wiwa 1992, 95; 1994, 5, 17).

Economically, it demands the economic right to control and use a percentage (at least 50%) of their resources for their own development. It demands resource ownership and control including the payment of rents and royalties for oil production to the Ogonis, as well as the reimbursement of an estimated 20 billion USD in unpaid rents and royalties for over 3 decades of oil production in Ogoniland. The Ogonis want the freedom to control their land, oil and gas resources. They also want to benefit from the enormous wealth their resources generate. They asked for an equitable revenue allocation formula that would give them a greater share of the revenues derived from their territory because they want to use a greater share of the oil wealth they generate to develop their area and make life more bearable in Ogoniland (Agbese 2001, 254; Azaiki 2003, 81; CLO 1995, 181; Frynas 2000a, 46- 47; Ihonvbere and Shaw 1998, 229; Mitee 1999a, 26; Naanen 2001, 222; Obi 2000b, 176, 289; 2001a, 60, 71, 75, 95, 122-123, 125; 2001b, 182, 280; O. Ojo 2002, 21, 40; Okonta and Douglas 2001, 117-118; Olojede et al. 2000, 45; Osaghae 1995, 340-341; 2003, 98; Saro-Wiwa 1992, 95; 1994, 17-18, 24-26).

Environmentally, it demands the right to a clean and healthy environment. It demands environmental restoration and protection as well as adequate compensation. They want their degraded environment to be cleaned up and about 4 billion USD paid as compensation for the environmental damages and socio-economic dislocations resulting from oil pollution over the years. They also ask that adequate measures be taken to prevent further devastation such as the burying of exposed high pressure pipelines. The

Ogonis want to put an end to Shell's ecological war in Ogoniland. They want Shell and other MNOCs, and the Nigerian state to respect their right to life and to a decent environment by conforming to international environmental standards and ensuring corporate social responsibility (Agbese 2001, 254; CLO 1995, 181; Frynas 2000a, 47; Ihonvbere and Shaw 1998, 229; Mitee 1999a, 26; Naanen 2001, 222; Obi 2000b, 176, 289; 2001a, 60, 71, 95, 122-123, 125; 2001b, 182, 280; O. Ojo 2002, 42; Okonta and Douglas 2001, 117-118; Olojede et al. 2000, 45; Osaghae 1998a, 304; 1999, 94; 2001, 12; 2003, 98; Saro-Wiwa 1992, 95; 1994, 18).

Socio-culturally, it demands the cultural right to develop and use Ogoni languages and culture in Ogoni territory, as well as freedom of religion. The Ogonis want constitutional recognition of their distinct cultural and linguistic identity in order to protect their language and culture from extinction. They want to be able to learn and use their languages rather than being compelled to learn the languages of the three largest ethnic groups which have been declared national languages. They want an end to the assimilationist policies of the Nigerian State (Ihonvbere and Shaw 1998, 229; Mitee 1999a, 26; Obi 2001a, 122-123, 125; Olojede et al. 2000, 45; Saro-Wiwa 1992, 95; 1994, 18).

In support of its demands, MOSOP organized a very successful peaceful demonstration against the disastrous activities of Shell and other MNOCs in Ogoniland and against the denial of their rights to self-determination and resource control by the Nigerian state, on January 4, 1993 as part of its commemoration of the United Nations Year of Indigenous Peoples. Over 300, 000 Ogonis (men, women and children) participated and the event received wide media coverage. Ever since the 4th of January is

celebrated as Ogoni national day to mark Ogoni solidarity and nationalism with the hoisting of MOSOP's flag, singing of its anthem and lectures amongst other things (Earth Island Journal 1993; 1995; Mitee 1999a, 27; 1999b 433; Naanen 1995a, 63,69-70; New York Times 1995; Obi 2000b, 290; 2001a, 71, 73, 90; 2001b, 185; O. Ojo 2002, 21; Olojede et al. 2000, 47; Okonta and Douglas 2001, 119; Osaghae 1999, 91; Ukiwo 1999, 65).

MOSOP also organized a successful boycott of the 1993 Presidential election. The Ogonis decided not to give legitimacy to or be part of the structural inequities that disadvantage them; hence, they refused to vote in the 1993 national elections given that the whole transition process did not follow the due process of the law. Not only were the political parties and the constitution products of military decrees imposed on the people but they did not reflect the demands and wishes of the Ogoni people (Naanen 1995a, 70; Obi 2001b, 184; O. Ojo 2002, 21; Okonta and Douglas 2001, 122; Osaghae 1998a, 246; 1999, 91; Ukiwo 1999, 65).

Furthermore, MOSOP propagated its struggle by presenting a formidable force to oil-based accumulation in Ogoniland in 1993. It organized a series of anti-oil protests which forced Shell to close down operations and pull out of its five oil fields in Ogoniland that produced about 30, 000 barrels of oil per day since 1993 (Mitee 1999a, 27; O. Ojo 2002, 21; Okonta and Douglas 2001, 117, 120). This is costing both Shell and the Nigerian state substantial economic loss and an estimated 9.9 million naira per day in oil revenues as at the year 2000 (Obi 2000b, 290). This estimate will be higher today given the significant rise in crude oil prices in recent years.

Moreover, to accentuate its demands MOSOP globalized its struggle. It took its struggle to the international community and appealed to them to pressure the Nigerian state and MNOCs to respond to its demands based on the conviction that without international intervention the Nigerian state and MNOCs will not respond to its demands. MOSOP presented its case and brought the plight of the Ogoni people to the attention of numerous international governmental and non-governmental organizations such as: the Unrepresented Nations and Peoples Organization (UNPO) (which it registered with in July 1992 at The Hague), United Nations, Amnesty International, Greenpeace, Friends of the Earth International, the Sierra Club and Human Rights Watch amongst many others. MOSOP gained the backing of these organizations which served as platforms for MOSOP's demands at the international level. They provided documentation and international publicity for MOSOP's demands after visiting the Delta and confirming MOSOP's claims. For their enormous contribution MOSOP and its able leader Ken Saro-Wiwa won several international environmental and human rights awards such as the Goldman Environmental Prize, the Right Livelihood Award, and the Hellman/ Hammett Award of the Free Expression Project of Human Rights Watch (Ihonvbere and Shaw 1998, 210, 212, 231, 225; Mitee 1999a, 24, 26; Naanen 1995a, 70-71; 1995b, 20; Obi 2000b, 289; 2001a, 87- 91; 2001b, 181-182, 184-185; 2004, 33; Okonta and Douglas 2001, 118-119, 164, 177; Osaghae 1995, 335; 1998a, 246; 2001, 17-18; Saro-Wiwa 1992, 97-99; 1994, 18-19). MOSOP not only succeeded in making the Ogoni cause a global issue but also got global public opinion on its side. The significance of the internationalization of the Ogoni struggle is underscored by Obi (2001b, 184), who notes: "[t]he insertion of the Ogoni cause into the global rights agenda from 1991 underscored

the Ogoni people's success in waging one of the most sophisticated struggles against the excesses of the oil companies. MOSOP strengthened their case, and won the support of significant sections of the INGO community to the cause of local resistance." The importance of MOSOP to the Niger Delta struggle and the overall struggle for democracy in Nigeria cannot be over-emphasized. As Ihonvbere and Shaw (1998, 233) rightly state, it "significantly affected the character of national politics and redefined Nigeria's global image and relations."

- **The Kaiama Declaration of the Ijaw Youth Council**

The Ijaw ethnic nationality in the Niger Delta with a population of about 8 million people is not just the largest ethnic group in the Niger Delta but also the largest ethnic minority group in Nigeria. They are scattered across six states in Nigeria – Bayelsa, Rivers, Delta, Edo, Akwa Ibom and Ondo States (Azaiki 2003, 113; Darah 2001, 32; Human Rights Watch 1999a, 4; Obi 2004, 27).

The Ijaw Youth Council (IYC) was established in 1998 as a resistance movement aimed at liberating the Ijaws and overseeing the Ijaw struggle for self-determination, justice and freedom. The Ijaw Youth Council took its struggles globally as well as locally by forming networks with international and local non governmental organizations. It collected, documented and disseminated information on the operations of MNOCs in Ijaw territory and organized campaigns and protests aimed at creating awareness and blocking oil operations in Ijawland, as well as influencing government policies that affect the freedom of the Ijaws (Darah 2001, 32-33; Human Rights Watch 1999a, 5; Obi 2001a, 71-72; Obi 2004, 28; Okonta and Douglas 2001, 145).

The all Ijaw Youths Conference held in Kaiama Town, Bayelsa state on the 11th of December, 1998 and attended by about 5, 000 Ijaw youths representing 25 organisations from over 500 communities and 40 clans that constitute the Ijaw ethnic nationality drew up and adopted the Kaiama Declaration which it presented to the federal government and MNOCs (Frynas 2000a, 47; Obi 2001a, 3, 71, 118; O. Ojo 2002, 25; Olojede et al. 2000, 41).

The Kaiama Declaration notes that the Ijaws were forced into the political entity called Nigeria by the British who stripped them of their autonomy and split them up into two regions creating their continuing balkanization and minority status in the Nigerian federation. It asserts the Ijaws are politically, economically, socio-culturally and psychologically neglected, dominated, marginalized and disadvantaged resulting in their poor and deteriorating living condition which is worsened by the gross environmental, social and economic impacts of oil industry activities. The Ijaws have nothing to show for the enormous contribution of their oil resources to the Nigerian economy except for untimely deaths due to environmental degradation and repression. Several undemocratic oppressive Nigerian laws have deprived them of the ownership and control of their resources and progressively de-emphasized the derivation principle of revenue allocation in operation at independence which rewards resource owners. The Kaiama Declaration, citing the case of Oloibiri whose oil has been exhausted and the community has been abandoned, recognizes that the future of the Ijaws is at stake given the fact that oil and gas while wasting their land and environment are not renewable. It also ascribes the political crisis facing the Nigerian state to the struggle to control oil which accounts for virtually all of Nigeria's revenues. It affirms that the Nigerian state and MNOCs

champion inter- and intra-ethnic conflicts and violence in the Niger Delta with the aim of dividing the communities and diverting their attention from their struggle. It decries the corruption, inefficiency, misappropriation and looting of public funds generated from their land by government agencies and their officials (Human Rights Watch 1999a, 5; Obi 2001a, 118-119; Okonta and Douglas 2001, 145; Olojede et al. 2000, 41-42).

The Kaiama Declaration therefore made demands based on the deplorable socio-economic and political condition of the Ijaws. It demands the recognition of the political, economic and social rights of the Ijaws within a restructured Nigerian federation that ensures autonomy, equity, justice and freedom.

First, the Kaiama Declaration demands political autonomy and self-government for the Ijaws within the Nigerian federation. It demands the constitutional recognition of their political right to rule themselves and control their affairs. The Ijaws want local autonomy that gives them access to political and economic powers as was the case with the strong autonomous regions of old. They seek an end to federal hegemony and a voice to participate effectively in the making and implementation of policies that affects them (Frynas 2000a, 47; Naanen 2001, 218, 223- 224; Obi 2001a, 3, 99, 120; O. Ojo 2002, 25).

Second, the Kaiama Declaration demands resource ownership and control. It asserts local ownership and control of their resources and means of sustenance by declaring that all land and resources in Ijawland belong to the Ijaws. It emphasises the importance of resource control for the survival and existence of the Ijaws who depend intricately on their land and resources. The Ijaws want an end to exclusive federal ownership and control of resources. They seek to hold equity shares and participate in oil industry operations. They want to own, control and use a fair share of their resources for

the rapid development of their area and to improve their deplorable condition based on the pre- and post-independence agreements which allowed the then regions to control the exploitation of their resources and utilize a substantial portion of their revenues for their own development. They want a greater share of oil revenues derived from their area as stated by the derivation principle of revenue allocation in operation at independence. They call for a just and equitable revenue allocation formula that emphasises derivation and rewards resource owners who bear the brunt of production (Frynas 2000a, 47; Human Rights Watch 1999a, 5-6; Manby 1999, 281-282; Naanen 2001, 218, 220, 223-224; Obi 2001a, 3, 72, 99, 119-120; O. Ojo 2002, 25; Okonta and Douglas 2001, 145; Olojede et al. 2000, 42- 43).

Third, the Kaiama Declaration demands an end to the environmentally devastating activities of the MNOCs who treat the environment of the Ijaws with utmost disregard. It demands corporate social responsibility and sustainable environmental practices that conform to international standards. It demands an end to environmentally unfriendly oil exploration and production operations such as gas flaring and oil spillage that pollutes and degrades Ijawland. The Ijaws want adequate environmental impact assessments to be carried out before oil exploration and production activities take place. They want all old rusty oil installations to be replaced and high pressure pipelines that crisscross residential and economic productive areas to be buried to reduce oil spillage. They want gas to be re-injected to stop gas flaring. They want the freedom to control and protect their environment from further destruction since they depend on their environment for their socio-cultural and economic activities and very existence (Human

Rights Watch 1999a, 6; Naanen 2001, 218, Obi 2001a, 119; O. Ojo 2002, 25; Olojede et al. 2000, 43).

Fourth, the Kaiama Declaration demands the abolition of all exploitative undemocratic, unjust and imposed military decrees such as the 1978 Land Use Decree, the 1969 and 1991 Petroleum Decrees, the 1993 Lands (title Vesting etc) Decree and the 1997 Inland Waterways Authority Decree among many others that allow the wholesale expropriation of their resources and revenues. It resolves not to acknowledge such decrees since they were made without popular consent and participation. The Ijaws want the repeal of all Nigerian laws that centralized ownership and control of mineral resources and revenues in the federal government while depriving the Ijaws of their right to control and use their resources for their own development. They want an end to the present power- and revenue-sharing formulas which transfer the benefits from their resources to other regions of the country at their expense (Human Rights Watch 1999a, 5; Naanen 2001, 219; Obi 2001a, 3, 119; O. Ojo 2002, 25; Okonta and Douglas 2001, 145; Olojede et al. 2000, 42).

Fifth, the Kaiama Declaration demands that all armed military forces occupying Ijaw territory and repressing the Ijaws should withdraw from Ijawland. It also demands an end to the use of armed military forces by MNOCs. The Ijaws do not want the military occupation of their land and the continuous reliance of MNOCs on military security that results in repression, deaths and human rights abuses to continue (Human Rights Watch 1999a, 5; Obi 2001a, 3, 119; O. Ojo 2002, 25; Okonta and Douglas 2001, 145; Olojede et al. 2000, 42- 43).

Sixth, the Kaiama Declaration demands political restructuring. It demands the restructuring of Nigeria's federalism to correct the structural imbalance and inequities inherent in the Nigerian federation and ensure political autonomy and rights of the constituent units to self-determination, resource and fiscal control as was the case at independence. It demands the establishment of a true and democratic federation that equitably shares and decentralizes jurisdictional rights, powers and resources between the component units of the federation, unlike the present system that is centralized, for all intents and purposes unitary, with the federal government exercising absolute powers. It calls for the convening of a binding 'Sovereign National Conference' composed of elected ethnic representatives to discuss and renegotiate the terms and conditions of the Nigerian union based on equity and justice to ensure the recognition and representation of the various ethnic nations that make up the political entity called Nigeria. It proposes the restructuring of Nigerian federalism into a federation of ethnic groups (Agbese 2001, 253; Naanen 2001, 219-220, 223- 224; Obi 2001a, 94, 98-99, 120; O. Ojo 2002, 25; Okonta and Douglas 2001, 118; Osaghae 2001, 16-18; Ukiwo 1999, 65).

The Kaiama Declaration gave an ultimatum to both the federal government and MNOCs that threatened the forceful expulsion of oil companies from Ijaw territory if their demands were not met. It demanded that all oil companies operating in Ijawland should shut down oil operations and pull out of Ijaw territory by December, 30 1998 until their demands to own and control their resources are resolved. It directed Ijaw youths all over Ijawland to take actions to execute their resolutions and demands from December 30 1998. As a result, on the 28th of December 1998 the IYC launched 'Operation Climate Change' a series of events aimed at creating environmental awareness and stopping gas

flaring in Ijaw territory. The IYC used ethnic identity and environmental slogans to mobilize international and grassroots support for their struggle. The Kaiama Declaration received the endorsement of both international and local organisations such as the Ijaw National Congress. It organized non-violent rallies, protests and demonstrations including cultural procession and dances (ogele) in major towns all over Ijawland against oil industry activities that pollute their pristine environment (Human Rights Watch 1999a, 5; Manby 1999, 282; Obi 2001a, 3, 119; 2004, 28; O. Ojo 2002, 25; Okonta and Douglas 2001, 146; Ukeje et al. 2002, 8).

From the foregoing it is clear that the environmental devastation, socio-economic deprivation and political marginalisation that threaten the very survival and existence of the Niger Delta people necessitate their demands for human, political, economic, environmental and socio-cultural rights, as well as their struggles to put an end to majority hegemony and put right the structural imbalances inherent in the Nigerian federation that disadvantages and dis-empowers them. The main demands of the Niger Delta people since the 1990s include: political autonomy (self-determination), greater political representation, resource ownership and control, fair share of oil revenues, abrogation of undemocratic Nigerian laws, an end to military occupation and repression, linguistic and cultural protection, and environmental compensation and protection within a restructured Nigerian Federation that guarantees their political recognition and inclusion. They seek redress, fairness, equity, justice, democracy and good governance that would improve their living standards. The responses of the Nigerian state to these demands that have arisen from the Niger Delta since the 1990s is the focus of the next chapter.

Chapter Five

Institutional Responses to the Niger Delta Question

In response to the Niger Delta's demands, successive Nigerian governments over the years have initiated and implemented various monetary concessions and measures designed to address the Niger Delta question. They include the establishment of institutional agencies such as states and development boards, as well as the use of repressive security measures. The 1990s witnessed the introduction of a wide range of measures due to the increased demands, anti-oil protests and brewing instability in the Niger Delta region, as well as the domestic and international support and public pressure from both governmental and non-governmental organizations' advocating minority rights. This chapter examines the government's institutional responses to the Niger Delta question in the form of developmental agencies since the 1990s. It specifically looks at the activities of the Oil Mineral Producing Areas Development Commission (OMPADEC) and the Niger Delta Development Commission (NDDC).

- **The Oil Mineral Producing Areas Development Commission (OMPADEC)**

In response to the increasing demands, protest and agitations in the Niger Delta, especially the activities of the Movement for the Survival of the Ogoni People, General Ibrahim Babangida's administration set up the Justice Alfa Belgore Commission of Inquiry in 1992 to inquire into the raison d'être of the dissatisfaction and resistance in the Delta and to suggest ways of ameliorating them. The Commission, after travelling around the Niger Delta, meeting the people and learning about their grievances, recommended that the Nigerian government should increase its social expenditure in the Niger Delta by

establishing a development agency to improve the deplorable socio-economic and environmental condition of the Niger Delta caused by oil industry activities (Azaiki 2003, 135; Obi 2001a, 56).

As a result, the Oil Mineral Producing Areas Development Commission (OMPADEC) was established on July 10, 1992 through Decree No.23. OMPADEC was charged with the responsibility of rehabilitating and developing the oil-producing areas with the 3 percent derivation funds. It was to address the area's underdevelopment and tackle the ecological and socio-economic problems arising from oil and gas exploration and production through compensation and infrastructural development. OMPADEC was to liaise between oil-producing communities and companies, arbitrate disputes and advise the three tiers of government on related policy matters. In keeping with the decree establishing the Commission, an appointed board consisting of a chairman, one representative each for the eight oil-producing states of Abia, Akwa Ibom, Cross River, Delta, Edo, Imo, Ondo and Rivers states, and representatives of non-oil mineral producing areas was formed to oversee the day-to-day running of the Commission (Azaiki 2003, 81, 137-140; Frynas 2000a, 49; Ikein and Briggs-Anigboh 1998, 322; Obi 2001a, 57; Okereke 2004, 112-113, 128; Okonta and Douglas 2001, 32-33; Sagay 2001, 22-23; World Bank 1995, 34, 53, 81). In July 1993, the Commission's first executive chairman, Albert K. Horsfall, was appointed (Okonta and Douglas 2001, 33) and the Commission came into force with a take-off grant of 3 billion naira (Ukiwo 1999, 57).

Despite OMPADEC's impressive objectives, the manner by which it was established and the political motives of its sponsors jeopardized its task of developing the oil-producing areas of the Niger Delta. The military government established OMPADEC

as a public relations gesture aimed at calming the brewing crisis in the Niger Delta (Azaiki 2003, 140; Obi 2001a, 57; Okonta and Douglas 2001, 33). As Okonta and Douglas (2001, 33) note, "[s]everal community leaders in the Niger Delta also dismissed OMPADEC as another white elephant project established by the government to lure them into a false sense of contentment, believing that something is being done to redress past wrongs."

Thus, it was not surprising that the Commission lacked a master plan or guideline that defined its development objectives, focus and strategies. It lacked an integrated development plan that made provision for sustainable development programmes, project assessment, and long-term project planning that incorporated enforcement, monitoring, servicing and maintenance mechanisms required to achieve its developmental goal (Azaiki 2003, 136; Okonta and Douglas 2001, 33; World Bank 1995, 53-54).

OMPADEC's development plan for the Niger Delta laid emphasis on infrastructural development. It focused on initiating infrastructure projects such as roads, bridges, water boreholes and power plants most of which were improperly planned, short-term projects which could not function well due to lack of maintenance or renewal. OMPADEC did nothing to address and remedy the environmental problems facing the oil-producing communities apart from merely appraising the ecological problems. It did not execute environmental policies and projects though it planned to and attempted some shoreline protection, erosion control and reclamation projects without carrying out proper Environmental Impact Assessments and drawing up a broad plan. OMPADEC was constrained by the lack of expertise, equipment and funds needed to meet its

developmental mandate. As a result its development goals for the Niger Delta's oil-producing communities were not attained (World Bank 1995, 14, 54, 76).

OMPADEC's administration was overly centralized and characterised by a top-down process of project development and implementation marked by the absence of local inputs and participation. OMPADEC centralization did not make room for popular participation. Although OMPADEC's task overlapped with other governmental and non-governmental bodies like the Federal and State Environmental Protection Agencies, its development approach did not involve these bodies or the local communities in the area. It excluded other institutions and the oil-producing communities from the policy-making processes. The Niger Delta people were not consulted and were not given an opportunity to be part of their own development. They had no say in deciding the type and location of development projects to be implemented in their communities. The chairman and commissioners decided the type and location of projects as well as whom to award the contracts to without project data, assessment and consultation. The choice of projects and project sites was imposed on the communities without due consideration and as a result failed to satisfy the needs of the people. As Okonta and Douglas (2001, 33) note, OMPADEC's first chairman "Horsfall operated as a law unto himself, and considered the oil producing communities as a private fief." Moreover, the Commission was not subject to any supervisory authority and control in the performance of its functions other than the President and so it lacked accountability and transparency. It was directly accountable to the President who influenced its activities greatly. Not only were its members appointed by the President, but also it directly consulted and reported to the presidency which also controlled its contracts and finances. The composition of the board was neither guided by

objectivity nor regulations but based on Mr. President's whims and caprices. The Commission's already budgeted funds were released and spent at the discretion of the President. OMPADEC's board was composed by and operated on the President's directives with little or no regard for the wishes and aspirations of the local people. The fact that the board was not made up of the elected representatives of the people meant it was not really representing the interest of the Niger Delta but those of the governing elites who hand picked them (Azaiki 2003, 138-140, 175; Dokubo, 2000, 23; Frynas 2000a, 49-50; Obi 2001a, 57-58; Okonta and Douglas 2001, 33-34; Quaker-Dukubo 2000, 79; World Bank 1995, 14, 54).

Hence, OMPADEC was plagued with ambiguity, inefficiency and corruption which affected project implementation and made it impossible for the Commission to fulfil its role as a development agency. It did not distribute funds to the oil-producing communities effectively. The formula used to allocate OMPADEC's funds was regarded as unjust. The distribution of development projects was based on the current percentage of oil and gas produced by the communities at the time without regard to past or original production volume. This formula was not fair to communities like Oloibiri that produced a substantial fraction of oil in the past but had since been drained dry and abandoned prior to OMAPADEC, or other communities like those in Ogoniland that have had a significant reduction in the percentage of oil produced, from an original production of about 300, 000 barrels a day to 30, 000 barrels at the time OMPADEC was set up. Besides, OMPADEC used unreliable data to decide who got what. Accordingly, OMPADEC's distributive policies were crisis-ridden. It resulted in inter- and intra-community conflicts over the location and choice of projects. The few projects

OMPADEC implemented benefited a few and left many communities out. OMPADEC ended up pitching one community against another and destabilizing the oil-producing communities (Frynas 2000a, 49; Obi 2001a, 57; Okonta and Douglas 2001, 34; Osaghae 1998b, 23; World Bank 1995, 53). Hence, the Niger Delta people heavily criticized OMPADEC's development formula and funding for being inequitable. As Saro-Wiwa (1994, 27) asserts, "[w]e cannot accept three per cent of our property in return for one hundred per cent of pollution. Besides … Three per cent of what are we getting? What happens when the oil dries up?"

Moreover, OMPADEC was inadequately funded. The three percent of total oil revenue allocated for the development of the impoverished Niger Delta was very minimal and could not accomplish much given the extent of environmental degradation and the attendant socio-economic problems facing the region. This was exacerbated by inefficiency, corruption, and mismanagement. As if the three percent derivation provided for OMPADEC was not small enough, not all OMPADEC's officially budgeted funds were released. OMPADEC's actual financial allocations were much less than the entitled three percent, especially under General Abacha's regime when OMPADEC was starved of funds through the reduction of its allocation and later the freezing of its account in the pretext of account inspection (Azaiki 2003, 136, 175; Darah 2001, 26; Frynas 2000a, 50; Ikein and Briggs-Anigboh 1998, 323; Quaker-Dukubo 2000, 79). In all, over 41 billion naira was withheld from OMPADEC from 1992 to 1998. It received only about 23.2 billion naira out of the 64.2 billion naira it was entitled to receive from the presidency based on the 3 percent derivation (Fubara 2002, 26).

To make matters worse the meagre money paid to OMPADEC was mismanaged and misappropriated. OMPADEC's limited finances were either squandered on dysfunctional projects or on personal use. Most of the projects were improperly planned and executed. Not only were they poorly designed and constructed with inferior materials, but also many were not completed and left abandoned despite the fact that some of these contractors had been paid (though many contractors were left unpaid). For instance, in October 1995 the Eleme Gas Turbine Project was commissioned despite the fact that it was unable to supply electricity. A few individuals such as government officials, OMPADEC board and staff members and local contractors used public oil revenue assigned for the development of the impoverished Niger Delta to enrich themselves to the detriment of the oil-producing communities who bear the brunt of oil production (Azaiki 2003, 136, 140, 175; Frynas 2000a, 49, 50-51, 53; Obi 2001a, 57-58; O. Ojo 2002, 14; Okereke 2004, 128; Okonta and Douglas 2001, 33-35; Quaker-Dukubo 2000, 79).

The Nigerian government commissioned a four-man panel led by Eric Opia to investigate, assess and report on the administration of OMPADEC, due to its ineffectiveness and public opinion, especially the complaint of the oil-producing communities, who as Okonta and Douglas (2001, 34) rightly note, "accused OMPADEC officials of 'neglect, ineptitude, insensitivity, high-handedness, corrupt practices, and automatic style of leadership.'" The panel's report submitted in December 1996 after a visit to the Commission's project sites in the oil-producing areas, confirmed the criticism of the communities. It uncovered imposed, pathetic, unfinished and abandoned projects, financial mismanagement and embezzlement of funds set aside for the development of

the oil-producing areas, amongst other things. As a result in December 1996 OMPADEC's first chairman, Albert K. Horsfall, was dismissed and Eric Opia was appointed OMPADEC's new chairman. This, as Frynas (2000a, 50) notes, "did not appear to have improved efficiency as the structures of the agency did not, by and large, change." Eric Opia continued in the misappropriation of OMPADEC's funds and was sacked too in September 1998 for embezzlement and Vice Admiral Preston Omatsola was appointed to take over (Frynas 2000a, 50; Okonta and Douglas 2001, 34-35). Thus at the end of the day, OMPADEC was unsuccessful. Inefficiency, corruption, ambiguity and crisis greatly hindered it from fulfilling its role as a development agency for the oil-producing areas including the Niger Delta.

However, OMPADEC was rendered inactive and killed prematurely mainly with the establishment of the Petroleum (Special) Task Force (PTF) in March 1995 as a development agency for the whole country by General Sani Abacha's administration (Azaiki 2003, 81; Okonta and Douglas 2001, 38; Ukiwo 1999, 58). The PTF as Anam-Ndu (2002, 58) correctly asserts, "localised its operational base largely in the Northern states" and thus was prejudiced against the Niger Delta. The Niger Delta was neglected in PTF's development plan despite the fact that it was funded from oil revenue generated largely from the region (Egborge 2000, 7).

Subsequently, in response to the protest, violence and other events that followed the Kaiama declaration, on the 3rd of March 1999 General Abdusalami Abubakar's administration set up the Niger Delta Development Panel led by Major General Oladayo Popoola to look at the developmental problems and needs of the Delta, the programmes in place to meet them and what should be done to solve the problems (Azaiki 2003, 175;

Human Rights Watch 1999a, 2, 23; Obi 2001a, 83- 84). The panel in its report submitted less than two weeks later recommended that the government should spend 15.3 billion naira (170 million USD) to develop the Niger Delta's infrastructural base. It also recommended the creation of a Niger Delta Consultative Council consisting of government officials and oil company representatives to supervise this development effort (Human Rights Watch 1999a, 2, 23). As a result, Abubakar's administration announced a new development programme for the Niger Delta worth 15.3 billion naira (Ekpebu 1999, 16; Frynas 2000a, 50; Obi 2001a, 83).

The Niger Deltans rejected the panel's recommendations through written petitions to the Nigerian government and populace that stated the panel did not represent the Delta's interest. The twenty-two member committee was made up of federally appointed government officials and representatives of OMPADEC and PTF, most of whom were military officers. Participation was not open to the Niger Delta people and civil society, not even the Ijaw Youth Council whose Kaiama declaration led to the constitution of the panel was involved in the committee's deliberations. The committee only visited Port Harcourt, the largest city in the Delta without visiting a wide selection of the area to assess the situation on ground. The only meeting it had with some Niger Delta leaders was just to update them on what it was doing without offering opportunity for discussion or feedback. At the end of the day, the panel's recommendations did not address the main concerns of the Niger Delta people and was not able to solve the Delta's problems (Azaiki 2003, 175, Ekpebu 1999, 16; Human Rights Watch 1999a, 23; Obi 2001a, 84).

- **The Niger Delta Development Commission (NDDC)**

In response to the wave of agitations, demands and violent conflicts in the Niger Delta, President Olusegun Obasanjo's civilian government made good its campaign promise to establish a development agency for the Niger Delta. It abolished the OMPADEC and PTF boards and in their place set up a new developmental agency, named, the Niger Delta Development Commission (NDDC). The Commission which came into being with the inauguration of the first Governing Board on the 21st of December 2000 was charged with the responsibility of addressing the Niger Delta's developmental needs including its oil-related ecological problems by investigating and identifying ways of developing the Niger Delta region. It was to formulate and implement programmes and a master plan aimed at promoting the rapid sustainable development and transformation of the Niger Delta region in the following areas: education, employment, health, water supply, electricity, housing, transportation, telecommunications, urban development, agriculture and fisheries and industrialisation (Azaiki 2003, 141; Frynas 2000a, 57; Fubara 2002, 30; NDDC Act of 2000; Nigeria first 2003; Okonta and Douglas 2001, 41; Omene 2001, 2002; Osaghae 2001, 15; Ugochukwu 2001a; 2001b).

In comparison to previous development agencies NDDC is a better-organized, structured and funded agency. It has a more efficient management and administrative structure and it adopted an integrated approach to development planning. NDDC's organizational structure includes a governing board and a management committee, both authorized to perform distinct functions.

Part 1 Section 2 of the NDDC Act set up a nineteen-member governing board for the Commission composed of a chairman, one representative for each of the nine member

states, three representatives of non-oil producing states from other geo-political zones that are not part of the Commission, one representative of oil companies, one representative each for the Federal Ministry of Finance and the Federal Ministry of Environment, the managing director and two executive directors. The Board members are to be appointed by the President with the National Assembly's approval for a four-year term. The NDDC board was given some managerial and supervisory powers to manage and supervise the Commission's affairs (Azaiki 2003, 142-143; NDDC Act of 2000).

The executive management committee, which is made up of seasoned professionals, administrators and technocrats, consists of a chairman and chief executive officer (Managing Director), and two executive directors (Executive Director (Finance and Administration) and Executive Director (Projects)). The management team is charged with the day-to-day administration of the Commission. It was assigned powers to formulate regulations and guidelines and to perform other duties necessary for the efficient running of the Commission such as paying staff, making contracts and inspecting projects. It operates the NDDC's head office in Port Harcourt and its nine field offices in each of the nine member states of the Commission, including the Commission's twelve directorates, viz. Administration and Human Resources, Community and Rural Development, youth, culture and women affairs, Planning, Research, Statistics and Management Information Systems, Utility, Infrastructural Development and Waterways, Education, Health and Social Services, Environmental Protection and Control, Commercial and Industrial Development, Agriculture and Fisheries, Project Monitoring, Finance and Supplies, and Legal Services, as well as other departments such as Corporate Affairs and Internal audit (NDDC Act of 2000; Omene 2001, 2002, 2003).

Also, the NDDC Act made provision for the establishment of some external bodies to supervise and monitor the Commission in order to ensure efficiency. First, NDDC is to submit quarterly and annual reports to the president, who is empowered to direct, control and supervise the Commission's activities, as well as appoint members of the board and committees with the corroboration of the National Assembly. Second, the Niger Delta Development Advisory Committee, comprising the Governors of the nine states that make up the Commission and two people appointed by the President, is authorized to advise the Board and monitor the Commission's operations. Third, the Monitoring Committee made up of the president's appointees is to monitor project implementation and fund management. Thus, the presidency was not the sole supervisory authority of the Commission (NDDC Act of 2000; Nigeria First 2004b; Ugochukwu 2001b).

Sources of funding for the Commission, as provided by Part 5 Section 14 of the Act establishing the NDDC, includes contributions from the Nigerian government, oil and gas companies and other sources. The federal government is to contribute 15 percent of the total monthly statutory amount due to the Commission's nine member states from the Federation Account. Oil and gas companies operating in the Niger Delta are to contribute 3 percent of their entire yearly budget. Also, 50 percent of the revenue allocated to the Commission's member states from the 2 percent ecological fund is to be contributed to the NDDC. The Commission is also expected to raise revenue from other miscellaneous sources such as grants, aids, gifts, donations, interests and investments, loans and earnings from its assets (Azaiki 2003, 144; NDDC Act of 2000).

NDDC also introduced some good development planning initiatives and approaches. It planned and initiated policies and procedures that would guide its performance. It drew up and adopted operational, administrative and financial guidelines covering a broad range of issues such as project identification, initiation, execution, supervision and monitoring, and underlined accountability and transparency in the running of the Commission. It also enlists the support of its staffs, consultants and contractors in carrying out its functions (Alaibe 2001; Omene 2002).

In an attempt to spread its development projects evenly across the region, NDDC adopted a development formula that allocates 60 percent of its revenues and projects based on the proportion of oil and gas produced and 40 percent based on equality of states and local government areas (Omene 2003; Ugochukwu 2001a).

The Commission drew up a clear mission statement, vision and strategy. Its mission, as given by the President is "[t]o facilitate the rapid, even and sustainable development of the Niger Delta into a region that is economically prosperous, socially stable, ecologically regenerative and politically peaceful." Its vision is "[t]o offer a lasting solution to the socio-economic difficulties of the Niger Delta Region." Its development strategies include the adoption of an integrated developmental approach based on partnership and people-centred development, as well as the production of an interim action plan and comprehensive master plan that will guide both the short-term and long-term sustainable development of the Niger Delta (NDDC 2004h).

NDDC embraced the integrated developmental approach which emphasizes people-oriented bottom-up development, as well as the need for partnership to ensure and facilitate the Niger Delta's development. It recognized the vital role of the Niger Delta

people in their own development and the imperative for cooperation and collaboration with other developmental agencies to avoid duplication and optimize both human and financial resources. NDDC opened up avenues for consultation and participation by forming partnership with various stakeholders from the public and private sectors, as well as civil society, including local, national and international governmental and non-governmental organisations. It brings these stakeholders together under the umbrella organization Partners for Sustainable Development (PSD). It also holds stakeholders consultative forums and conferences in each of its nine member states to engage the various stakeholders in constructive discourse aimed at producing an integrated plan for the sustainable development of the Niger Delta. NDDC made the local people stakeholders in their own development. It attempted to get the various communities, ethnic groups and non-governmental organizations within the Delta involved and committed to the developmental process from conceptualization to implementation so that the programmes would adequately meet their needs (Edem 2005a, 2005b, 2005c; Komolafe 2006; Ugochukwu 2001a, 2001b, 2003a, 2003b).

The Niger Delta Development Commission designed two plans for the Niger Delta's short-term and long-term development, namely the Action Plan and the Niger Delta Regional Development Master Plan. The NDDC's Action Plan includes interim short-term development projects to be carried out while the development of the master plan is in progress. The criteria for all development projects under the interim action plan are that they should have an immediate positive impact on the people and eventually fit into the master plan. The main focus of the action plan is on infrastructure and human development, based on its emphasis on people-centred programmes aimed at improving

the people's living standards. NDDC provides infrastructure such as roads, jetties, boreholes and electrification. So far about 814 projects have been implemented as part of the action plan. NDDC also initiates human development projects such as skill acquisition, vocational and computer training schemes intended to provide economic empowerment and in turn reduce unemployment and poverty in the Delta. This is expected to abate youth restiveness and promote the peace and stability required to attract both local and foreign investors and tourism needed to facilitate the region's rapid development (Ekpo 2003; Edem 2005a, 2005c; Nigeria first 2003; Omene 2001, 2002, 2003; Ugochukwu 2001a, 2003a).

The NDDC prepared and produced a comprehensive fifteen-year 500 billion naira development plan for the short, medium and long-term development of the Niger Delta entitled the 'Niger Delta Regional Development Master Plan' (NDDC 2004b, 2004f). On the 20th of August, 2004 NDDC presented the draft master plan to the federal government (Nigeria First 2004; NDDC 2004a, 2004b) and subsequently it presented a condensed 400 page version of the 5, 000 page document to the Niger Delta people, states and local governments, and other stakeholders for deliberation, comments and suggestions (NDDC 2004e). The final plan was launched by President Obasanjo on November 30, 2004 (NDDC 2004d).

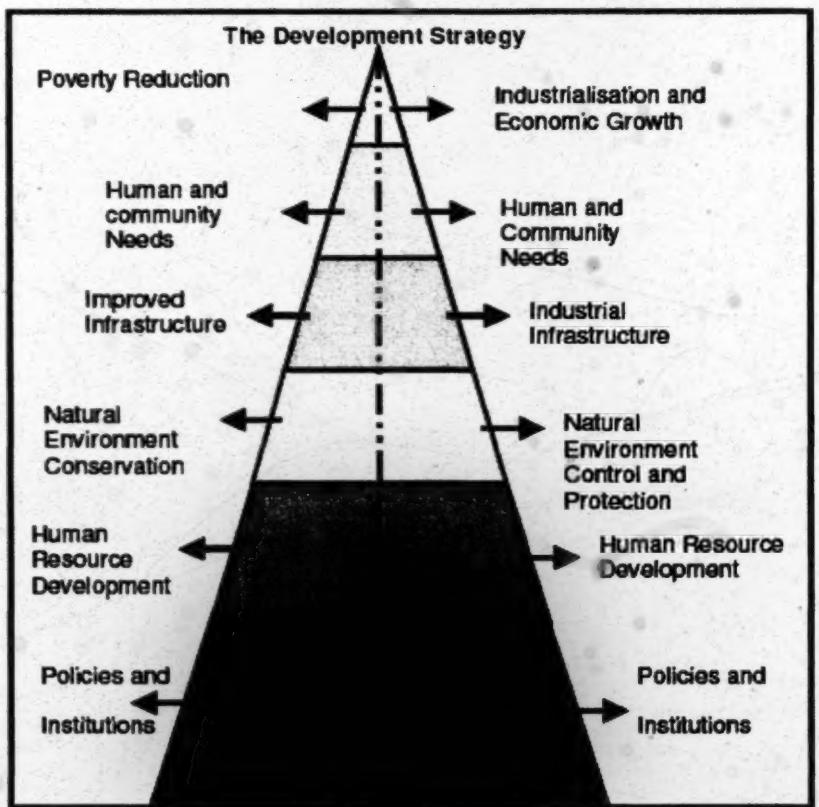
The Niger Delta Regional Development Master Plan was written after a series of consultations, research and analysis that lasted for about four years. The development of the master plan involved professional planning that incorporated the programmes of public and private sectors with the popular participation of all stakeholders in the region. The Commission set up a Master Plan Committee and hired numerous experts and

consultants to carry out extensive sectoral studies in its nine member states. The research involved identifying the socio-economic problems of the region, solutions and methods of addressing them, as well as defining an appropriate developmental focus, goal and policy for the region based on the people's developmental ideas, views, aspiration and principles. NDDC organized state briefings, workshops, seminars and conferences at various levels of the society that involved governmental bodies, civil society organizations, oil companies and donor agencies aimed at creating awareness and avenues for consultation, inputs and feedbacks, as well as, offering opportunities for individual and group participation in the planning process. Also, NDDC contracted Gessellschaft fur Technische Zussammenarbeit (GTZ), a German international development consultant firm and Wilbahi Consortium to co-ordinate and oversee the group of over 100 sectoral consultants undertaking the sectoral studies covering 16 major sectors and 25 sub sectors. And Norman & Dawbarn Consortium was appointed to draw up the integrated master plan with the findings and reports of the sectoral studies (Edem 2005c; NDDC 2004g; Nigeria first 2003; Omene 2001, 2002, 2003; Ugochukwu 2001b, 2003a).

The Niger Delta Regional Development Master Plan is a framework, and tool for the systematic physical, socio-economic, political and environmental development of the Niger Delta region. It does not only provide statistics and documentation but defines developmental targets and how to achieve them. It contains a series of specific well-defined developmental objectives, policy and project proposals and implementation guidelines needed to facilitate the Delta's growth and development. The plan "aims to have the Region that hitherto was underdeveloped, very poor and turbulent, become

Africa's most prosperous, most peaceful and most pleasant Region" (NDDC 2004g). The master plan contains five major goals, viz: environmental protection and sustainability, economic, community, institutional and infrastructural development. It intends to reduce poverty, improve the Delta's living conditions, and curb youth restiveness in the region. It hopes to accomplish this by accelerating economic growth and creating mass employment through the diversification of the Niger Delta's economy to include agriculture, entrepreneurship, industrialization, solid mineral production and tourism, as well as the development of the Delta's infrastructural, human resource and institutional base, and the protection and remediation of the Delta's threatened environment (see Figure 2) (Edem 2005c; Isiguzo 2006; NDDC 2004e, 2004g; Nigeria First 2004).

Figure 2. The Integrated Development Strategy



Source: NDDC, the Niger Delta Regional Development Master Plan (2004).

Accordingly, the Niger Delta Regional Development Master Plan designs integrated approaches and developmental scenario alternatives to address the peculiar developmental needs of the Niger Delta region with the limited available resources. It offers and gives a detailed description of different sets of programmes and options covering a wide range of issues, including their explicit time frames from commencement to completion, and estimated costs and outputs for the communities and states to choose from based on their peculiar needs and priorities. They include: 'Business as Usual,' 'Services based,' 'Rural Emphasis,' 'Urban & Industrial Emphasis,' 'Environment First' and 'Balanced and Integrated' approaches. The plan seeks to guide policy-makers and direct the developmental plans and activities of the public and private sectors, civil society, international donor agencies and the local communities in the Niger Delta's development planning and decision-making processes in order to organize and coordinate developmental efforts, minimize duplication, maximize resources and ensure continuity (Edem 2005a, 2005c; NDDC 2004a, 2004b, 2004d, 2004g; Nigeria First 2004). The Niger Delta Development Master Plan has the capacity to meet the Delta's needs and facilitate its rapid and sustainable development if properly implemented. Alas, the journey so far is blighted!

NDDC has been controversial since its inception. The NDDC Bill witnessed a difficult passage and long delay due to the fracas and wrangling between the federal legislature and executive. It was introduced by the President in 1999 but effectively came into being in 2001 after so much debate. The National Assembly questioned and amended some provisions in the initial Bill which overtly centralized the Commission and gave the presidency absolute power and control over the Commission's affairs. It also queried the

amount and sources of funding provided for the Commission. It augmented the financial contributions of the federal government and oil companies and relieved the member state governments of funding the body with half of their 13 percent derivation. These amendments were not acceptable to the President who refused to sign the passed Bill into law, objecting to his restricted scope of power and control over the Commission, especially in the composition and appointment of the Commission's board members which he wanted to do alone. He also objected to the increased financial contribution of the federal government and oil companies and to the exclusion of the member state governments from the Commission's funding. Consequently, the National Assembly was compelled to overturn the President's veto on the NDDC Bill. It enacted the NDDC Act on June 5, 2000 without the President's approval. Unfortunately, that was not the end of the story as the President delayed the body further by refusing to inaugurate it until December 21, 2000, after which he introduced an amendment to the NDDC Act in his favour. The Niger Deltans were frustrated by the delay and politicking surrounding the NDDC Act. They were dissatisfied with the manner NDDC was created. The NDDC Bill lacked grassroots participation. It was single-handedly drawn by the President without consulting the Niger Delta people to get their input hence it was not surprising that the NDDC Act was flawed from the perspective of the Niger Delta people. The fact that the NDDC was imposed from above and the definition of the Niger Delta was altered to denote all oil-producing states raised controversy over the composition of the Commission and its Governing Board, appointment of board members and location of the headquarters. Given the expansion of the Delta to include all the oil-producing states in Nigeria, the Commission is composed of the nine oil-producing states of Abia, Akwa

Ibom, Bayelsa, Cross River, Delta, Edo, Imo, Ondo and Rivers, despite the fact that they were not all geographically and socio-culturally part of the Niger Delta which encompasses Bayelsa, Delta, Rivers and Akwa Ibom states and parts of Cross Rivers and Edo states. Also, the composition and appointment of board members, especially the chairman was a major source of conflict as the core Niger Delta states wanted to have more representation in the board and to always provide the Board's chairmen while the NDDC Act provided for one representative for each of the member states and a rotational chairmanship amongst all member states in alphabetical order. As a result, the first chairman of the board came from Abia State. As well, the member states wanted the responsibility of appointing their own representatives to the board while the NDDC Act gave that responsibility to the President in alliance with the National Assembly. Accordingly, the NDDC board and committees are composed of federally-appointed members who are not the elected representatives of the people and so do not necessarily represent the people's interest, but are first and foremost loyal to their appointers based on the client-patron system operated by the Nigerian state (Azaiki 2003, 50, 141-142, 145; Ekpebu 2002, 56-57; Nigeria first 2003; Obi 2001b, 192; 2004, 37; Ozo-Eson and Ukiwo 2002, 2; Ugochukwu 2003b; Ukeje et al. 2002, 40).

Moreover, the Commission lacks the necessary powers to function effectively. According to the Part 2 Section 7(3) of the Act enabling the NDDC, the Commission is under "the direction, control and supervision" of the President. NDDC is not only administered with the President's directives, but also it is an advisory body that can only make policy proposals. Part 2 Section 7(1) of the NDDC Act states, the Commission is to "advise the Federal Government and the member states" and only "implement all the

measures approved for the development of the Niger-Delta area by the Federal Government and the member states of the commission." NDDC is to liaise with, advise and assist the federal government, member states and local governments, oil companies and Non-Governmental Organisations on environmental and other developmental policy-making issues (NDDC Act of 2000). Hence, NDDC does not address the Niger Delta's demands for access to political and economic powers that will enable them direct their own affairs and participate in oil and gas development within their territory. Besides, the new Bill introduced in 2003 to amend the NDDC Act gives the President more power and control over the Commission. It is requesting that the president be authorized, to endorse the Commissions budget, and appoint the Governing Board members, Managing Director and Executive Directors without the National Assembly's confirmation, amongst other things (Aziken 2005a, 2005b). This will further limit and cripple the Commission.

Likewise, the Niger Delta Development Commission is incapacitated by limited funds. All the funding sources provided by the Act have not been provided. Not only are the payments irregular, the NDDC is also being short-changed. Even the federal government that made the law has refused to abide by it. The federal government contributes only 10 percent of the total monthly allocations due to the Commission's nine member states from the Federation Account instead of the 15 percent provided by the NDDC Act, while oil companies contribute 3 percent of their expenditure and operating budgets instead of 3 percent of their total annual budget (Ekpo 2003; Omene 2003; Ugochukwu 2003b). While the oil companies owe NDDC about 13.5 billion naira as at 2004 (Ajani 2004), the federal government owes over 50 billion naira in default funding from 2001 to 2005 and as at the second quarter of 2006 it has not made any payments for

2006 (Odivwri 2006). Also, NDDC has not been successful in getting any loan, grant, donations, gift or proceeds from its assets, neither has it received any amount from the 2 percent ecological fund, because since its establishment no revenue has been disbursed to any of its nine member states from the ecological fund despite the fact that they face massive ecological problems arising from oil and gas exploration daily (Ekpo 2003; Omene 2003; Ugochukwu 2003b). As a result, NDDC's actual receipts are well below its planned budgets. For example, it received only about 43 billion naira between 2001 and 2002 though its 2001 and 2002 budgets were 36 billion naira and 40 billion naira respectively (Ugochukwu 2003b). Besides, as if the NDDC's limited funding is not enough, the Bill introduced to amend the NDDC Act is calling for the reduction of the federal government and oil companies' contribution to NDDC's funding to 10 percent of the total statutory amount due to the Commission's member states from the Federation Account and 2 percent of their total annual budget respectively, despite the high estimated cost of the enormous development that needs to take place in the Niger Delta (Aziken 2005a, 2005b).

Furthermore, the Commission is plagued with ineffectiveness. It has been accused of inefficiency, mismanagement, misappropriation and arbitrary administration without regards to the established guidelines such as those for awarding contracts (Ugwoke 2005). Also, complaints of uneven and inequitable distribution of funds and development projects amongst member states have been raised by the Niger Delta people (NDDC 2004c). The distributive formula provided by the Act does not meet the wishes of the Niger Delta people. Despite the fact that the use of oil production figures as a criterion to distribute funds and development programmes raised uproar under OMPADEC, the

government still relied on it without addressing the concerns and questions previously raised by the Niger Delta people as to what percentage of oil and gas production is being used and how the calculations are done. Although a new criterion – equality – was added in the new development formula it still did not satisfy the people who felt the introduction of equality opened up the opportunity for their further exploitation since it made sure the states that produced little (which are not naturally part of the Delta) still were allocated projects. The Niger Delta people view NDDC like previous federal development agencies as part of the majority hegemony and instruments used to dominate them. David Dafinone, a former Nigerian senator, as cited in Azaiki (2003, 50) asserts that "any arrangement making Abia … Imo and Ondo States part of the Niger Delta amounts to an agenda to further marginalize the minorities." Hence, the Niger Delta people viewed the Niger Delta Development Commission as a failed course even before its inauguration. To them NDDC is a tokenistic offer and gesture of goodwill meant to divert their attention from their resistance and struggle for political autonomy, resource control and revenue utilization (Azaiki 2003, 145; Fubara 2002, 35; Ozo-Eson and Ukiwo 2002, 4).

So far, NDDC has not been able to make any concrete impact on the Niger Delta's development, notwithstanding the in-depth studies and developmental planning it has carried out. The Niger Delta Regional Development Master Plan, launched in 2004 and expected to have commenced since 2005, is yet to be implemented. The Commission at present is only executing short-term Quick Impact Projects (QIP) it identified from the master plan. It has largely focused on infrastructural and human development schemes and has not been able to effectively tackle environmental and economic problems, nor

impact the quality of life in the Delta positively. The incessant unrest in the Delta and the introduction of a new initiative for the Niger Delta's development (see below) by the same President who initiated the NDDC points to the huge failure of the Niger Delta Development Commission. President Olusegun Obasanjo himself admitted this fact during the first Niger Delta Stakeholders Forum held on April 5, 2006. In his words: "from pre-independence till today, what we must admit is that efforts made have not fully addressed the issues or have not fully satisfied the challenges" (This Day 2006).

On April 5, 2006 the President established the 'Consolidated Council on Social and Economic Development of Coastal States of the Niger Delta' which he inaugurated on the 18th of April 2006. The fifty-member committee headed by the President Obasanjo himself intends to pursue the rapid development of the Niger Delta's coastal states by assessing, identifying and pooling together the different developmental programmes of all stakeholders in the Niger Delta. It has drawn up a nine-point development agenda covering employment generation, education, agriculture, environment, health, transportation, telecommunications, power and water supply based on the belief that these would ensure peace and security in the Delta. The President also announced a huge development plan for the Niger Delta's short, medium and long-term socio-economic development. The measures include: the creation of 20, 000 new jobs for the Niger Delta's indigenes in the federal civil service, armed forces, police, NNPC and educational establishments; the construction of 12 floating mega filling stations and the completion of the 230 billion naira abandoned East-West Road which runs across the Delta; the establishment and upgrading of educational institutions and health centres; the provision of infrastructures such as telecommunication services in major communities, water

supply in over 700 communities and electrification of 396 rural communities; the dredging of the River Niger and other tributaries, clearing of seaweeds and elimination of water pollution amongst other things (Vanguard 2006; Haruna 2006; Komolafe 2006; Lohor 2006a, 2006b; Nigeria First 2006a, 2006b; Onwuchekwa 2006; Ozoemena 2006a; Ozoemena 2006c).

The inhabitants of the Niger Delta, especially the Ijaws, have rejected President Obasanjo's new development initiative, describing it as a strategic emergency intervention measure designed to appease them (Vanguard 2006; Komolafe 2006; Odivwri 2006; Ozoemena 2006a). To the Movement for the Emancipation of the Ijaws (MEND), the President does not have "the moral authority" to make any initiative for the Niger Delta's development having failed to address the problems facing the region since the inception of his administration (Olatubosun 2006). President Obasanjo's latest initiative is not new to the Niger Delta. Numerous commissions have been set up since pre-colonial times to look at the Niger Delta's problems and how to allay them, many of which have submitted comprehensive reports with great recommendations all of which have never been implemented. The present administration alone has so far introduced several initiatives in response to the Niger Delta's problems. President Obasanjo, in addition to following the military's example and introducing some repressive security measures, has created the Niger Delta Development Commission in 2000. He also set up the Lt. General Ogomudia Security Committee on Oil Producing Areas in 2001, the Major General Mohammed Presidential Committee on Peace and Reconciliation in the Niger Delta in 2003/04, the Gov. Ibori Presidential Standing Committee on the Niger Delta in 2004, the Nigeria National Petroleum Corporation (NNPC) Niger Delta Youths

Standing Committee in 2004, and the Niger Delta Peace and Security Strategy (PASS) (Amaize 2006a; 2006b; Nkwazema 2006).

This recent history raises a big question: what has happened to the recommendations and plans of these committees? Especially, what has happened with the NDDC master plan and the report of the 'Special Security Committee on Oil Producing Areas' headed by Chief of Army Staff, Lt. General Alexander Ogomudia, which the Obasanjo administration inaugurated on the 8th of November, 2001 to find competent security measures for the protection of oil facilities and operations. On the 19th of February 2002 the Committee, after touring the Niger Delta and holding a series of deliberations, submitted its report in which it noted that years of governmental neglect and the feelings of frustration and abandonment they have engendered are the major causes of unrest and insecurity in the Niger Delta. It concluded that repression and militarization is not the solution to achieving lasting peace and addressing the problems in the region. Instead, the government should implement law and order alongside infrastructural development. This strategy would be based on the conviction that the provision of basic amenities is a prerequisite for the effective maintenance of law and order. The Committee therefore recommended: the augmentation of the derivation principle of revenue allocation to at least 50 percent, establishment of job training and employment programs for all indigenes of the oil-producing communities, introduction of infrastructural and industrial development in the region, and abrogation of the unjust laws which deprive the oil-producing communities of their land and resources such as the Petroleum Act, Land Use Act and Gas re-injection Act. However, as is always the case

with Nigeria, the recommendations of the Security Committee were ignored (Haruna 2006; Komolafe 2006; Nkwazema 2006; Onwuchekwa 2006).

As far as the Niger Delta people are concerned, since all the previous initiatives have failed there is little confidence in this new initiative. They have travelled through the long, winding road of failed promises several times in the past and have come to the realization that the government is not committed to the region's development. Hear some of them as they bare their mind in interviews with the Vanguard Newspaper. To Mr. Oronto Douglas, the coordinator of the Ijaw Monitoring Group (IMG) and one time commissioner of information in Bayelsa state, the President's new initiative is:

> …to pour water on a burning fire without as much paying special attention to the cause of the perennial fire in the region. … What can this new council do in twelve months to return the resources of the Niger-Delta to the wronged people? What can this council do to protect the environment, build confidence and end military and groups' violence? What can this council do to abolish poverty, malnutrition and want? What can the council do to bring two federal universities, polytechnics, colleges of education etc to Ijaw land? … If you ask my honest opinion, I will say we have waited for development and justice for too long. We can no longer wait. It is action time beyond rhetorics and promises of good things to come (Sic) (Amaize 2006a).

And Senator Rowland Owie, a former senate chief whip, refers to Obasanjo's new initiative as a:

> …ploy to entice the people of the Niger Delta to support the third term agenda of the President. … That thing is just abracadabra. The President does not care about the Niger Delta, it is just a pretence. Our people should know that the stakeholders' meeting is another jamboree in Abuja which would achieve nothing. All is just to deceive the Niger Delta to support third term and we must not be deceived. …let me take you back to history so that you will know that it is all a gimmick. If the President really loves the Niger Delta, why is it that the National Assembly under Chuba Okadigbo had to override the veto of the President on the Niger Delta Development Commission (NDDC) bill. He did not sign the bill into law. We vetoed it after 30 days. Then why did it take the President 10 months after the NDDC bill was passed into law before he inaugurated the body. As we were passing that bill we indicated there that N42 billion were being owed OMPADEC by the Federal Government and part of our

> resolution was that N5.2 billion should be injected into that body but it was not done. … After we passed the NDDC bill by overriding the President's veto, he brought an amendment to reduce the contribution of oil companies to the NDDC. His interest was now for foreign countries no longer for the coastal states. So we should not be deceived that that meeting will assuage the sufferings of the Niger Deltans. He is just trying to trick our people into believing in his third term agenda and we should be watchful (Sic) (Ebegbulem 2006).

The Editor of the Vanguard Newspaper, Lagos declares in his Editorial "this new initiative is wrong medication for a well-known ailment. The result of such treatment is predictable" (Vanguard 2006). It remains to be seen whether the government has proven to be willing and capable of offering concessions acceptable to the Niger Delta. The next chapter critically evaluates the government's responses to see if they meet the demands of the Niger Delta people as stated in their various bill of rights and declarations.

Chapter Six

Evaluation: Correlation between the Niger Delta's Demands and Government's Responses

This chapter critically evaluates the responses of the Nigerian state to the demands that have arisen from the Niger Delta. The Niger Delta people want political and economic power and control over their affairs and resources that would enable them to play significant roles in oil and gas development within their territory. They demand the restructuring of the Nigerian federation to guarantee their rights to political autonomy, resource control, revenue utilization, environmental protection and compensation, amongst other things, that will enable them to participate effectively in the making and implementation of oil and gas policies that affect them. And what have successive Nigerian governments given them in response? Ineffective development boards! The Niger Deltans seek to control and use a fair share of their resources for their own development, which has not happened with the creation of federal developmental agencies. Hence, the government's effort has been inappropriate and inadequate. It does not address the crux of the Delta's demands. The Nigerian state has done little or nothing to meet the major demands of the Niger Delta people. It has not been able to come close to resolving the Niger Delta question. All it has done so far is 'beat around the bush' to appear legitimate and avert public backlash. The government's institutional responses in the form of federal developmental agencies has focused on public relations strategies aimed at lulling the Niger Delta people into a false sense of contentment that something is being done to address their demands.

Why hasn't the state responded more positively? Why have the ethnic minorities of the Niger Delta been relegated to the background in terms of decision-making on oil and gas development within their territory? Why has the Nigerian state not introduced decentralization policies and programmes that give the Niger Delta's inhabitants opportunities for political and economic participation, especially participation in oil and gas development within their territory?

The answer is found in the very nature of the Nigerian state as discussed in Chapter One. The colonial, dependent, rentier, limited autonomous, centralized, corrupt, ethnic and crisis-ridden nature of the Nigerian state greatly impacts policy formulation and implementation. It poses political and economic constraints that significantly affect the state's mediatory and regulatory role and in turn oil and gas development. The political and socio-economic environment within which policy-making occurs in Nigeria, such as state institutions, actors, networks and processes, influences the decision-making process and determines how and why policies are made as well as for whom, given the multiple and contending interests in society. It determines which inputs and feedbacks get into the system to produce policy outputs. This is evident in oil and gas development in Nigeria. On the one hand, the powerful foreign capitalists are very much interested in accumulating surplus value from oil through repression, centralization, corruption, mis-governance, crisis and environmental degradation amongst other ills that accelerates their profit potential. On the other hand, the powerless minorities of the Niger Delta seek democracy, decentralization, accountability, good governance, environmental protection and so on, that is contrary to the oil-based capital accumulation process, leaving the

Nigerian state to mediate and choose to be either an objective and autonomous entity or an instrument of the ruling class.

The Nigerian state plays a vital role in the Nigerian political economy. It exercises economic as well as political power and influence. It is not just involved in politics but also in the economy as a source and facilitator of capital accumulation. The Nigerian state was not only created to satisfy the capitalist interest of its colonial lord Britain, but also was integrated into the international capitalist economy to perform a specific peripheral function in the international division of labour that ensures its continued dependence on foreign capital. Hence, since colonial times the Nigerian state has remained essential to the capitalist accumulation process in Nigeria. It is structured to reproduce and maintain the necessary conditions for the accumulation of surplus value by intervening in the economy to ensure uninterrupted access to oil and gas resources. So far the Nigerian state has intervened in the economy through the indigenization and regulation of the oil industry, centralization of power and resources, and the use of its coercive apparatuses to aid oil-based capital accumulation.

Given the overwhelming dependence of the Nigerian state on oil revenues generated exclusively by MNOCs, it attempted to secure its interest by indigenizing the Nigerian oil industry. Accordingly, the state and MNOCs formed an alliance and collaborate together to achieve their complementary economic goal. Alas, this is an unequal and exploitative partnership. The Nigerian state is a weak partner in comparison to the prominence, technology and capital of MNOCs. Hence, MNOCs have high leverage over the Nigerian state. They manipulate the decision-making process in their favour through managerial and 'blackmail' strategies. Given their effective control and

immense significance, they not only take and implement major operational decisions but also indirectly and directly threaten to stop exploring and producing oil if the right socio-political and economic conditions are not created. Their operations play a great role in Nigerian affairs, to the point where Ake (1996, 34) decried, "the privatization of the [Nigerian] state by Shell" and other MNOCs, as seen in their incessant use of the state's repressive instruments and the operation of their own armed police and security units, as well as in their sponsorship of patronage clienteles aimed at bribing state and community officials to support their capitalist interest. As a result, the interest of MNOCs dominates the policy-making institutions and processes. This interference determines state policies in no small measure.

The close and cordial tie between the Nigerian state and MNOCs greatly influences oil and gas policy outcomes, as the predominant interest of the foreign capitalists and their state allies, represented in the policy-making environment, is always articulated in the state's oil and gas policies. The state's vulnerability to pressures from foreign capital greatly limits its autonomy and hinders the effective performance of its mediatory role. The Nigerian state is not a neutral arbiter; it is inherently biased in favour of foreign capital due to its over-dependence and conflict of interest. It is not only receptive to the foreign capital that generates the oil revenues it heavily relies on, but also it is a crucial participant and stakeholder with a vested interest in oil-based accumulation as an equity share holder in all oil companies operating in Nigeria. As a result, it has not and cannot effectively and equitably mediate over the conflicting struggle amongst all stakeholders for access to power and resources.

The Nigerian state's over-reliance on foreign capital to produce all of its oil and generate virtually all of its revenues rendered it biased and more responsive to the needs and interest of foreign capital for as the saying goes, 'he who pays the piper dictates the tune.' The Nigerian state knows too well the consequences it will face if it does not fulfil the desires of the foreign capital on which it tremendously depends. It fears the political and socio-economic crisis the stoppage of oil production and reduction of government revenues would bring. The crisis and instability of the late 1970s and early 1980s caused by the world oil recession and the international reprisals that followed the anti-capital policies of the General Buhari's administration in the mid-1980s are still very fresh in the state's memory. As a result, the Nigerian state is reluctant to upset oil and gas production due to its overwhelming dependence on oil revenues. It lacks the commitment and will to make and implement people-centred anti-capital policies and programmes given that it could deter foreign investment in oil and gas production. The Nigerian state has been much more sensitive to the interests of foreign capital rather than those of its citizens since it is more rational and easier for the state to disregard the Niger Delta's demands than those of its foreign partners given their mutual interest in accumulating surplus value from oil. This greatly impedes the state's ability to respond positively to the Niger Delta's demands. The Nigerian state is constrained to adopt policies that serve the needs of capital given its preoccupation with the continuous flow of the oil revenues it receives from foreign capital. It opts for the 'if you can't beat them, join them' approach and collaborates with the foreign capital that produces and purchases its oil since in the interim it seems more convenient and viable to do so. Hence, in as much as certain factors such as its historical situation, structure and capacity, especially changing trans-

national relations affect and limit the Nigerian state's autonomous contributions to the making of public policy and influences its interventions, policies and activities, its unwillingness to break away from the status quo is responsible for its continued reflection of capitalist interest. Given the fact that the continuous flow of oil and its revenues is crucial to the survival of the Nigerian state, it is committed to safeguarding its source of sustenance by all means. In the process the Nigerian state does everything within its power to ensure the steady flow of oil, including bowing to the wishes and aspirations of the owners of the means of production and becoming a tool for facilitating capital accumulation. The Nigerian state represents and acts in the interest of the ruling capitalist class that uses the power, institutions and policies of the state as instruments to dominate society and maintain, facilitate and expand capital accumulation.

Consequently, the Nigerian state has been very responsive to the demands of capital instead of those of the Niger Deltans as seen in the increasing centralization of the Nigerian state aimed at creating monopoly while at the same time inducing poor governance to facilitate capital extraction and accumulation. State structures and policies are used to deprive the Niger Delta minorities of their rights to participate in the development of their oil and gas resources, in view of the fact that the concentration of power and resources includes a few while excluding many others, including the oil-producing communities, from the oil and gas development processes. This accounts for the inefficiency, corruption, nepotism, violent conflicts and authoritarianism that characterize the Nigerian state.

The creation of federal developmental agencies did not provide any meaningful avenue for local participation in oil and gas development which the Niger Delta people

clamour for. If anything, it opened up new avenues for the personal enrichment of state officials and their patrons as seen in the embezzlement that plagued the development boards.

The interest of MNOCs in optimum exploitation and accumulation in Nigeria has led to the use of cost-effective but crude operational practices that are below international standards and environmentally damaging. They aim at maximizing profit at the expense of the Niger Delta's environment and peoples. The state's dependence and equity interest limits its regulation of the oil industry, hence it has not been able to formulate and implement effective environmental regulations and policies that protect the Delta's environment. Not only is there inadequate environmental legislation but also the few existing laws such as the Associated Gas Reinjection Decree, Oil in Navigable waters Act; National Environmental Protection Regulation, Environmental Assessment Decree, and Mineral Oil Safety Regulations are incomprehensive and lack enforcement and compliance mechanisms. They lack efficient implementation given the dearth of environmental regulatory bodies and severe penalties for non-compliance. The Nigerian state has not been able to establish environmental regulatory bodies, equipped with the necessary powers and funds to monitor and supervise the operations of the oil industry, nor has it been able to penalize oil companies for negligence and non-compliance with environmental laws. Even litigation against oil industry operations is restricted and biased against the local people given the dependence and partiality of the Nigerian judiciary and legal system. Thus, since the Nigerian state shies away from ensuring corporate social responsibility, oil industry operations in the Niger Delta continue to disregard

international and local environmental standards that could protect the Delta's pristine environment.

Government's insensitivity to the Niger Delta's demands also has an ethnic undertone. The fact that the Nigerian state is dominated by elites from the majority ethnic groups constrains policy-making with respect to the ethnic minorities of the Niger Delta. State officials are remote and indifferent to the Delta's plight and so are unwilling to yield to their demands. They do not understand the difficulties in the Delta and the need to invest in the Delta's human, environmental and socio-economic development as they do not personally see or experience the devastating effect of oil industry operations. They turn a blind eye to the negative effects of oil exploration and production and the deplorable condition in the Delta since it does not affect them and their beloved kinsmen.

Rather than enact concrete policies to address the demands of the Niger Delta people and redress the inherent inequities of the Nigerian federation, the government has continued to rely on repressive security measures to suppress anti-oil resistance. The State-MNOCs alliance perceives the Niger Delta's demands and resistance to its firm grasp over power and resources as a threat to oil-based accumulation that needs to be crushed. As a result, the Nigerian state defends its foreign business partners at all costs, including through the repression of its citizenry. It uses its coercive apparatuses to coerce the people into submission and ensure the law and order necessary for the continued extraction of oil and accumulation of capital. It continues to play its coercive function at the expense of its legitimization function, which it is unwilling to perform.

Thus, the Nigerian state protects and advances the interest of capital to the neglect and detriment of the oil-rich Niger Delta. It has continued to ignore the fundamental

demands of the Niger Delta people for political, economic, environmental, and socio-cultural rights to participate in the development of their oil and gas resources because they run counter to the monopolizing trends that accelerate oil-based capital extraction and accumulation. The Nigerian state as an agent of capital does not want to renegotiate their control over power and resources. They do not wish to either abrogate the arbitrary laws that have given them sole access to power and resources, or restructure the Nigerian federation to make room for the decentralization of power, resources and revenue to the oil-producing Niger Delta. Also, they do not aspire to either implement environmental standards or adequately compensate the people for their environmental and socio-economic degradation as it will increase cost and reduce their profits. Thus, they do not desire to stop the military occupation and repression of the Niger Delta people as it is being used to 'mediate' the conflicting interest in oil and gas development and to keep the ethnic minorities of the Niger Delta from participating in the development of their oil and gas resources.

Conclusion to the Subject

This research confirmed my thesis that the participation of the Niger Delta people in oil and gas policy-making that affects them is low as a result of the inability of the Nigerian state to construct an effective framework to accommodate their interests given its historical specificities such as its colonial, dependent, rentier and limited autonomous nature, which predisposes it to act in favour of foreign capital. The Nigerian state's over-dependence on oil revenues generated by MNOCs acts as a formidable barrier to the participation of the Niger Delta minorities in oil and gas development. The Niger Delta minorities have been relegated to the background in terms of decision-making in oil and gas development within their territories due to the state's pursuit of multinational capitalist interests rather than those of its citizens. The Niger Delta's demands for the recognition of their rights to participate in oil and gas development within their territory have not been addressed because the profit motive of oil-based capital accumulation overrides the rights of the local people to resource development. Hence, the Niger Delta people continue to be denied their rights to participate in the formulation and implementation of oil and gas policies that affect them as opportunities for participation remain firmly closed to the Niger Delta people. The Nigerian state has so far proven to be unwilling and incapable of offering concessions reflective of the Niger Delta's Demands.

There is room for further research on the role of ethnic minorities in oil and gas development within their territories as there is still more work to be done in understanding the combination of factors affecting their participation and how best to integrate them into the mainstream process of shaping public policy on resource development. Also, given the fact that recent conflicts in oil-producing countries across

the globe have centred on natural resources and the inability of policy-makers to design policies that ensure equitable distribution of resource wealth, there is the need to examine resource management, especially the link between natural resources and conflicts and what should be done to solve this problem, contain natural resource-triggered conflicts and ensure peaceful societies. Scholars should continue the pursuit of knowledge and methods in a search for a comprehensive understanding of resource politics and how it includes some and excludes others in governance. Furthermore, there is the need to elaborate a general theory of the state that brings the major perspectives on the state together, draw what works from each and propose a shared research agenda, conceptual framework or hypothesis to guide future research on the state.

- **The Way Forward for the Niger Delta Question**

> For a multi-national oil company ... to take over ... billion[s of] dollars from the small, defenceless (Niger Delta) people and put nothing back but degradation and death is a crime against all humanity. For the Nigerian government to usurp the resources of the (people) and legalize such theft by military decree is armed robbery. To deny the (people) the right to self-determination and impose on them the status of slaves in their country is morally indefensible (Saro-Wiwa 1994, 14).

Hence, there is an urgent need to correct these inequities. There is a need to overhaul the monopolistic and exploitative colonial structures and relations, retained after independence with the aim of enthroning democratic governance that prioritize people-centred values above capitalist profits in the Nigerian political economy.

As a first step there is the need for a constitutional renegotiation and restructuring of the Nigerian federation to correct the inherent structural imbalances plaguing it from its inception and to ensure true federalism with its essential devolution of powers,

resources and revenues that guarantees a good measure of autonomy to the constituent units that make up the Nigerian federation.

Also, there is the need for a constitutional framework that guarantees equal rights, representation and opportunities for the diverse ethnic groups that make up the Nigerian federation, with a special emphasis on the recognition, accommodation and protection of minority rights and interest. Given that local people are the key to their own sustainable development, the ethnic minorities of the Niger Delta should be empowered to effectively shape the discourses and environment about and within which policy decisions that affect them are formulated and implemented, as provided for by Article 2 of the 1992 UN Declaration on the Rights of Persons Belonging to National or Ethnic, Religious and Linguistic Minorities.

Furthermore, there is the need to diversify the Nigerian economy and seek alternative sources of revenue from agriculture, solid minerals, manufacturing, commerce, entertainment and tourism amongst other things. This will not only accelerate economic growth and development but will also minimize Nigeria's overwhelming dependence on oil revenues. Also, diversification necessitates the upward review of the derivation principle of revenue allocation. Increased derivation will serve as an incentive for states to generate more internal revenues knowing that they will be rewarded and all their revenues would not be collected and redistributed to other states, as a fair percentage of the centrally-collected revenues would be returned back to them for generating it. This will greatly promote the fiscal efficiency of states and local governments and curb the present struggle over 'petro-naira.'

These recommendations will provide the democratic space the Niger Delta people are demanding, as it will give them the political autonomy that guarantees their rights to political and economic participation in how their resources are harnessed and revenues spent. This will facilitate their own development as it will not only give them access to the policy-making environment that determines their affairs and fate, but also give them the opportunity to use a fair share of their revenues for their own development. The involvement of local people and the emphasis on equity and people's welfare that democracy will usher in will call all stakeholders in oil and gas development, especially MNOCs, to accountability, ensure corporate social responsibility and significantly reduce the Delta's environmental and socio-economic degradation.

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